

(July 1992)

SUBMIT IN TRIPLICATE*

FORM APPROVED

OMB NO: 1004-0136

Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN					
1a. TYPE OF WORK			DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		
b. TYPE OF WELL OIL WELL () GAS WELL (X) OTHER () SINGLE ZONE () MULTIPLE ZONE (X)			6. If Indian, Allottee or Tribe Name N/A		
2. Name of Operator Mission Energy, LLC. <i>Mesa Energy O&G</i>			7. Unit Agreement Name Jacks Canyon Unit		
3. Address and Telephone Number 621 17th Street, Suite 2450 Denver, CO 80203, 303-292-9775 <i>PO Box 699 Farmington Ut 84025-0699</i>			8. FARM OR LEASE NAME, WELL NO. Iron Mesa Federal #19-14		
4. LOCATION OF WELL (Report location clearly and accordance with any State requirements.) At Surface 207' FSL 2178 FWL, SESW 1/4 Sec. 19, T12S, R16E <i>63 664 571291.21</i> At proposed prod. zone Same <i>44 00429.16</i>			9. API Well No.		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 45.5 Miles S/SW of Myton, Utah			10. Field And Pool, or Wildcat Wildcat		
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST* PROPERTY OR LEASE LINE, ft 207' (Also nearest drlg. unit line, if any)			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 19, T12S, R16E, S. L. B. & M.		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR ON THIS LEASE, IN FEET. 3460'			12. COUNTY OR PARISH Carbon		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) Graded level 7012'			13. STATE Utah		
23. PROPOSED CASING AND CEMENTING PROGRAM			17. NO. OF ACRES ASSIGNED TO THIS WELL 80		
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12 1/4"	8 5/8" J-55	24#	500'	Surface	370 sxs. Class G
7 7/8"	5 1/2" J-55	15.5#	7000'	Production	704 sxs. 50/50 Poz. Class G

* Describe Lease: Sec. 18: SE 1/4; Sec 19 & 20: ALL; Sec. 21: N 1/2, NW 1/4 SW 1/4, SE 1/4; T12S, R16E

Mission Energy LLC. proposes to drill, test and complete the Iron Mesa Federal #19-14 as a vertical well in the Wilsach formation.

If dry, the well will be plugged and abandoned as per BLM and State of Utah Requirements.

Please reference the accompanying Drilling Program.

BLM Rights of way will be required, see attachment.

No lease stipulations affect this proposed location other than development activity is limited to April 30 to November 1.

Operation for this well will be conducted under Statewide Bond # 44-1128 (applied for).

There is no spacing requirement in this area. Wells can be drilled within a 400 foot square around the center of a 40 acre block.

This will be an exception location, see attachment and approval letter from adjacent lease holder.

Please consider all submittals pertaining to this well **"Company Confidential"**.

*Heggie Wilson / Wesatch (801) 451-9200.

If additional information is required, please contact the undersigned at Ph. No. (970) 669-8217, Fax (970) 635-9337

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: [Signature] TITLE: Agent for Mission Energy LLC. DATE: February 1, 1999

(This space for ~~Federal~~ or ~~State~~ office use)

PERMIT NO. 43-001-31523 APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

Approved by _____

**Federal Approval of this
Action is Necessary**

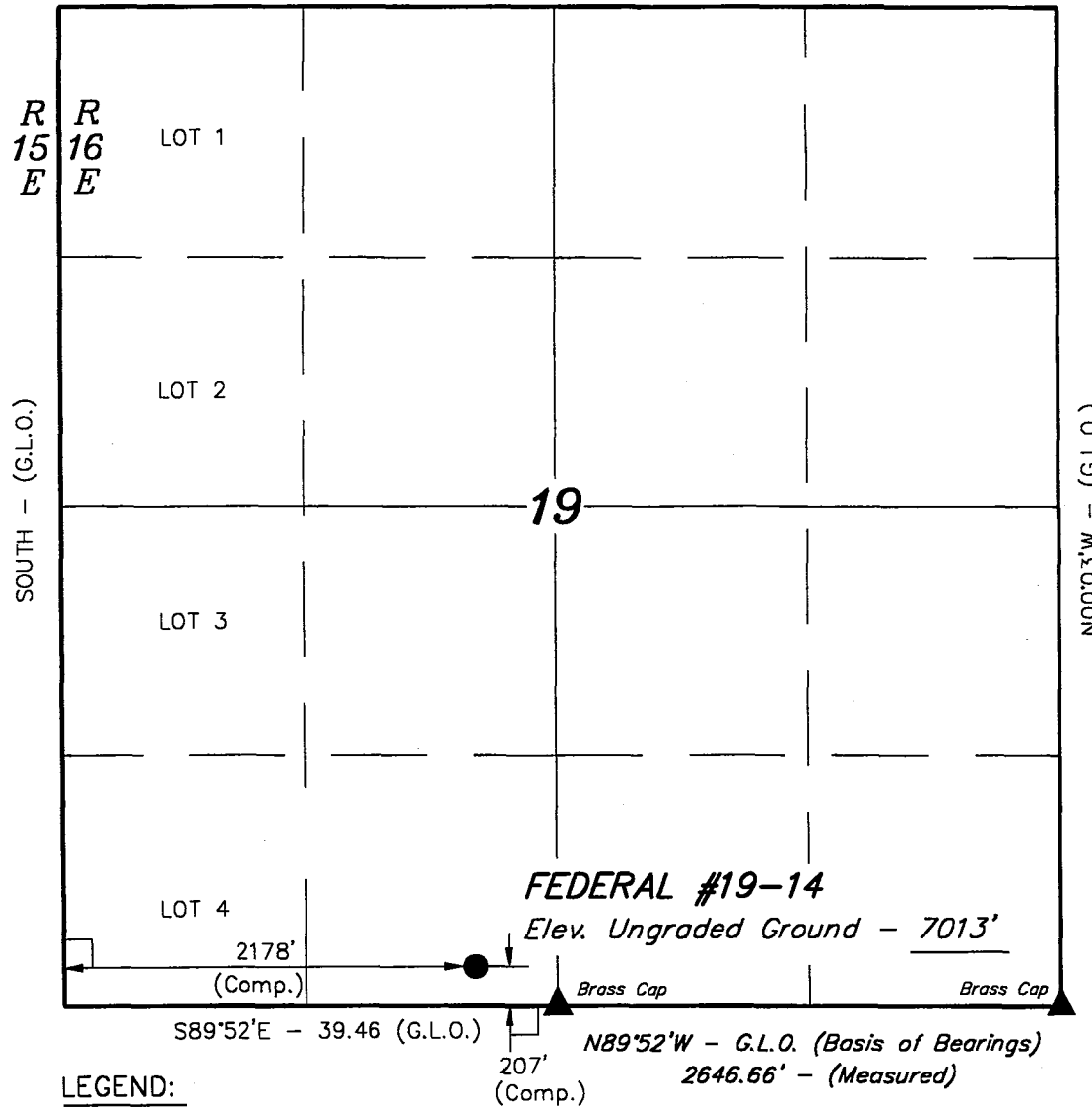
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 6-7-81 Date

By: [Signature]

T12S, R16E, S.L.B.&M.

S89°50'E - 79.42 (G.L.O.)



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

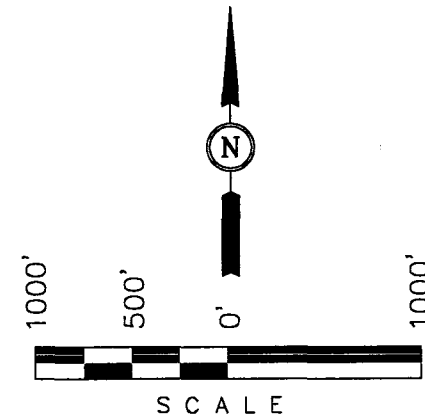
NOTE:
THE PROPOSED WELL HEAD BEARS
N63°56'35"W 474.5' FROM THE
SOUTH 1/4 CORNER OF SECTION
19, T12S, R16E, S.L.B.&M.

MISSION ENERGY, L.L.C.

Well Location, FEDERAL #19-14, located as shown in the SE 1/4 SW 1/4 of Section 19, T12S, R16E, S.L.B.&M. Carbon County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 30, T12S, R16E, S.L.B.&M. TAKEN FROM THE TWIN HOLLOW, QUADRANGLE, UTAH, CARBON COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6986 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

NO. 161319
ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 11-11-98 D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 09-08-98	DATE DRAWN: 09-16-98
PARTY L.D.T. B.A. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE MISSION ENERGY, L.L.C.	

**MISSION ENERGY, LLC.
Iron Mesa Federal #19-14
SE/SW SEC. 19, T12S, R16E
Carbon County, Utah**

CONFIDENTIAL – TIGHT HOLE

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Measured Depth</u>	<u>Subsea Depth</u>
Ground Level	7012.2' graded	
Green River	Surface	+7012'
Wasatch	2892'	+4120'
North Horn	4686'	+2326'
Mesa Verde	6380' to T.D.	+632'

2. Estimated Depths of Anticipated Water, Oil Gas or Minerals:

<u>Mineral</u>	<u>Formation</u>	<u>Measured Depth</u>	<u>Subsea Depth</u>
Gas/Condensate	Wasatch	2892'	+4120'
Gas/Condensate	North Horn	4686'	+2326'
Gas/Condensate	Mesa Verde	6380'	+632'

Fresh water Fresh water aquifers will be protected with surface casing set at 500'. All potentially productive usable water, hydrocarbons, and other mineral zones will be protected with casing and cement.

3. Proposed Casing Program:

8-5/8", J-55, 24.0# ST&C set at 500' KB (new) – centralizers will be used on the bottom three joints.

5-1/2", J-55, 15.5# LT&C set at 7000' (TD) (new) – centralizers will be used across the pay zone.

4. Minimum specifications for Pressure Control:

- A. The BOP and related equipment will meet or exceed the requirements of a 3M-psi system as set forth in Onshore Order No. 2.
- B. The BOP and related well control equipment will be pressure tested to rated pressure or 70% of internal yield of surface casing (2065 psi) when initially installed and whenever any seal subject to pressure test is broken.
- C. Pipe and blind rams will be functioned each trip (max. once/day), annular preventers weekly.

5. **Mud System:** The following is meant as a guide only. Actual mud weights will be determined by hole conditions. Sufficient quantities of mud materials will be maintained or readily accessible for assuring well control.

<u>Interval</u>	<u>Mud Weight PPG</u>	<u>Viscosity SEC</u>	<u>Fluid Loss CC</u>	<u>Remarks</u>
0 – 500'	8.4 – 8.9	27 - 60	No control	Fresh water native mud w/high viscosity sweeps
500 – 2600'	8.4 – 8.9	27 – 45	10 – 12	Fresh water native mud w/high viscosity sweeps
2600' – T.D.	8.4 – 8.9	32 – 40	6 – 10	PHPA polymer

6. **Testing, Logging, and Coring Program**

Cores-DSTs: None anticipated at this time.

Surveys: Deviation surveys will be taken at 250' and TD of surface pipe (+/- 500'). Max. deviation of 2 deg. at casing point and no more than 1 deg. change between surveys. Deviation surveys to be taken at 500' intervals from surface casing to TD with a maximum deviation of 8 deg. and no more than 2 deg. between consecutive surveys.

Mud Logger: From 500' to TD. Sample frequency to be determined later.

Logging: Resistivity, GR
Neutron/Density, Cal

TD to surface casing shoe
TD to 1600'

7. **Cementing Program**

Surface Pipe: Will be cemented with 370 sacks of Class G with 2% CaCl₂ with 44.5 % water and 1/4# per sack cello flake (yield approximately 1.17 cu-ft per sack). Total quantity is 100% excess based on 8-5/8" casing in a 12-1/4" hole. In the event cement does not circulate to surface or fall back of the cement column occurs, a top out cement job will be done to bring cement back to surface.

Production String: Estimated volume is 704 sacks of 50:50 POZ "G" with 2.0% bentonite plus additives (yield is approximately 1.25 cu-ft per sack). Volume is based on 20% excess over quantity required for 4100 ft. of fill with 5-1/2" casing in a 7-7/8" hole (7000' to 2900' est. top = 4100' fill). Actual volumes will be determined from the caliper log.

8. **Abnormal Conditions/Expected BHP**

No abnormal pressures are anticipated in the Tertiary Green River or Wasatch formations. As such, bottom hole pressures are expected to be less than 2600 PSI. There has been no indication of H₂S in any wells drilled in the area.

9. Other Information

The Price District BLM Office, (435) 636-3600, is to be notified:

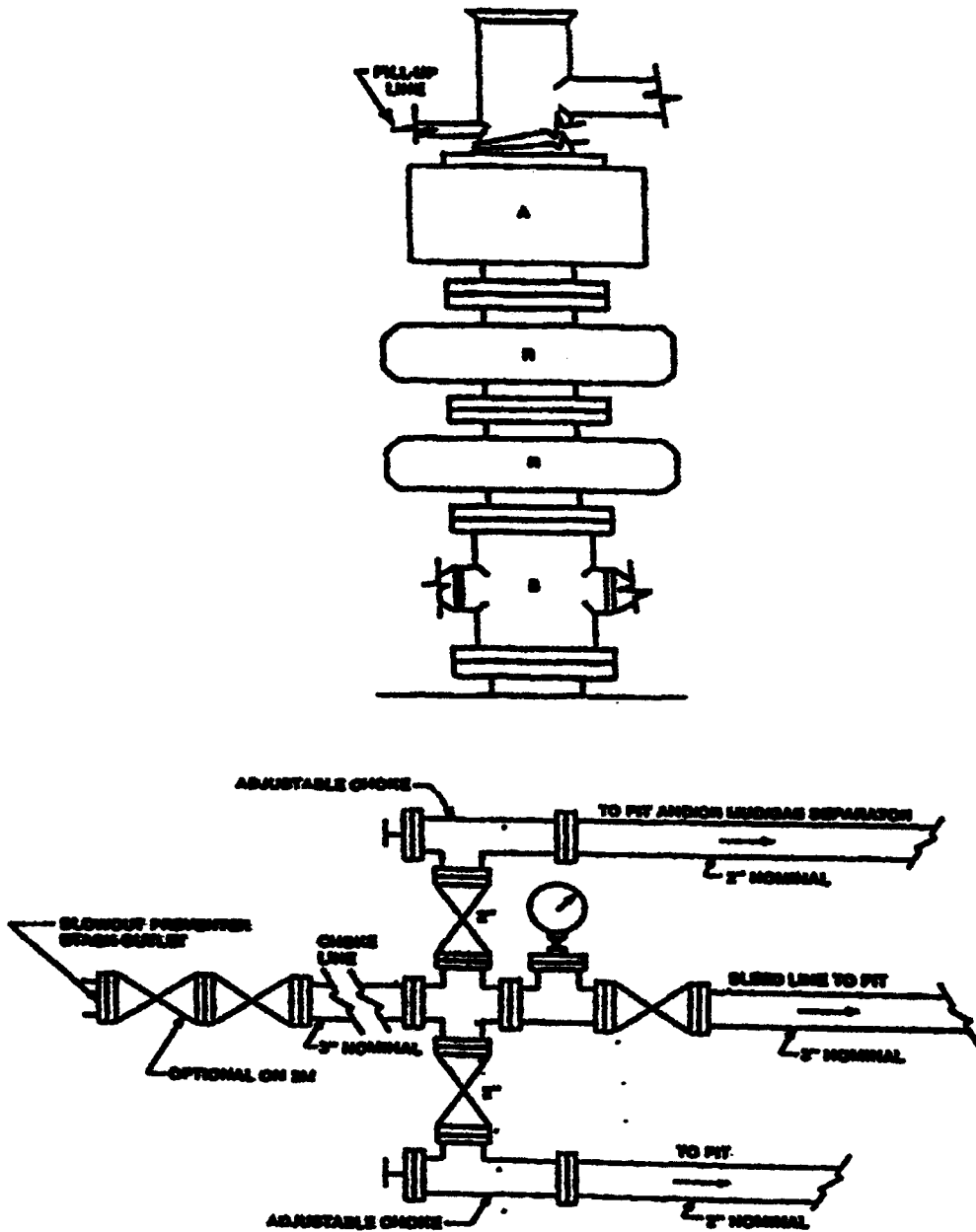
- 48 hours prior to construction of location and access roads
- prior to moving the drilling rig on location
- at least 24 hours prior to spudding the well
- at least 24 hours prior to running casing and cementing all casing strings
- 24 hours prior to initiating pressure tests on BOP equipment

Should it be necessary to make after-hours notification, one of the following individuals will be contacted.

BLM to determine at time permit is issued.

Mission Energy, LLC.

Typical 3000 # BOP and CHOKE MANIFOLD



**MISSION ENERGY, LLC.
Iron Mesa Federal #19-14
SE/SW SEC. 19, T12S, R16E
Carbon County, Utah**

CONFIDENTIAL – TIGHT HOLE

SURFACE USE PLAN

1. Existing Roads

See attached "*topo A*" and "*topo B*".

2. Planned Access Roads

The planned access roads are either county maintained or under BLM jurisdiction. The road will have a running surface of 18 feet and a maximum disturbed width of 30 feet. Because of the relative short length (less than ½ mile) of the access road there will be no turnouts, gates or cattleguards. There will be minimal cuts, fills or grade concerns. BLM Rights of way will be required see attachments.

3. Location of Existing Wells

There are no known wells within a one-mile radius of the proposed location.

4. Location of Existing and Proposed Facilities

There are no existing facilities on the site.

If the well is completed as a producer, a request for approval of subsequent operations will be made for production equipment and flowlines.

All permanent structures built or installed on the site will be painted per permit stipulations.

5. Location and Type of Water Supply

Water will be purchased from a private water source (irrigation water that is covered by permit No. 90-642). A transfer of water rights permit has been filed for and will be forwarded to the Price BLM and Utah Division of Oil, Gas & Mining. If this water is not available at the time the well is to be drilled, additional water may be obtained from the Price River Water District. The Division of Water Resources does not require a permit to use Price River Water District water.

6. Source of Construction Materials

See attached *Location Layout*. All materials for construction will be obtained on-site.

7. Methods for Handling Waste Disposal

All drill cuttings will be contained and buried in the reserve pit shown on the *Location Layout*. The pit will be unlined unless it is determined during construction that leakage from the pit is likely. If it is determined a liner is necessary, it will be a 12-mil plastic/nylon material underlain by sufficient bedding to protect the liner from tearing. No trash or material that might puncture the liner will be disposed of in the pit.

All drilling fluids including salts and chemicals will be contained in the reserve pit. After completion of the well, drilling fluids will be either moved to the next location for use or left in the pit until sufficient evaporation has occurred to backfill the pit. If it appears the evaporation process will take longer than nine months, the drilling fluid will be hauled to an approved disposal facility.

A portable toilet will be furnished for on-site personnel. A trash basket will be provided on location for garbage and other waste material. At the end of drilling operations. The trash basket will be hauled to an approved disposal site. Trash will not be burned on location.

No hazardous materials in an amount greater than 10,000 pounds will be used, stored, produced, transported, or disposed of annually in association with the drilling, testing, or completion of the well. In addition extremely hazardous substances as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of this well.

After the first production, produced water will be confined to the reserve pit for a period not to exceed ninety days. During the ninety-day-period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the Authorized Officer's approval.

8. Ancillary Facilities

- A. Camp facilities located on site will be used for rig crew drilling personnel. Trailers for the rig toolpusher and drilling superintendent will also be required.
- B. All sewage and wastewater from this location will be hauled to an approved disposal source by a contracted vendor. This vendor to be established at a later date. All necessary permits will be submitted to the County Health Dept. by the same above-mentioned vendor.

9. Well Site Layout

See the attached *Location Layout* for the location of all equipment and Cross Section for the projected cut and fills necessary on the location.

The reserve pit will be fenced according to current standards to prevent wildlife entry.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

10. Plan for Restoration of Surface

A. *Producing Location*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit will be removed in accordance with 43 CFR 2162.7-1.

If a plastic/nylon liner is used, it will be torn and perforated before back filling the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed with 120 days from the date of well completion, weather permitting. Before any dirt work begins on the pit, all fluids will be removed.

B. *Dry Hole/Abandoned Location*

At such time as the well is plugged and abandoned, Mission will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Road: BLM land
Location: BLM land

12. Other Additional Information

- A. Mission Energy, LLC is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological material is uncovered during construction, Mission will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Grand River Institute has previously submitted a *Summary Report of Inspection for Cultural Resources* to the BLM. There was no finding of cultural resources.
- B. Mission Energy, LLC will control noxious weeds along the rights-of-way for roads, pipelines, well sites, and other applicable facilities. On BLM administered land a Pesticide Use Proposal will be submitted, and approval obtained, before application of herbicides or other pesticides.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal lands after the conclusion of drilling operations or at any other time without BLM authorization.
- D. Item 9, in the Drilling Program has notification requirements that will be met.

- E. A complete copy of the approved APD will be on location during the construction of location and during drilling activities.
- F. Sundry Notice and Report on Wells (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- G. This permit will be valid for a period of one year from date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period.

13. Lessee's or Operator's Representative and Certification

Company Representative

Agent Representative

Name: Jerry Bergeson

J. Wayne Fisher

Address: 621 17th Street, Suite 2450
Denver, CO 80293

8002 WCR 24 H
Loveland, CO 80538

Telephone No.: (303) 292-9775

(970) 669-8217

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Mission Energy and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 USC 1001 for the filing of a false statement.

February 1, 1999
Date

J. Wayne Fisher
Agent for Mission Energy, LLC.

Onsite Date: September 30, 1998

Participants in Joint Inspection

-	Dean Nyffler	BLM
-	David Mills	BLM
-	Dennis Willis	BLM
-	Carl Ivory	BLM
-	Logan MacMillan	Sego Resources
-	Roger Alinger	Sego Resources
-	Wayne Fisher	Mission Energy, LLC.
-	Dick Castle	Sego Resources

Confidential

ONSHORE OIL & GAS ORDER NO. 1

**Approval of Operations on Onshore
Federal and Indian Oil & Gas Leases**

**Iron Mesa Federal # 19-14
207' FSL AND 2178' FWL
SE/SW Sec. 19, T12S – R16E
Carbon County, UT**

Prepared For:

MISSION ENERGY, LLC.

By:

**FISHER CONSULTING
8002 WCR 24 H
Loveland CO 80538
970-669-8217**

Copies Sent To:

- 3 - BLM – Moab, UT**
- 1 - BLM – Price, Utah**
- 1 - Utah Division Oil, Gas & Mining – SLC, UT**
- 3 - Mission Energy, LLC. – Denver, CO**
- 1 - Wayne Fisher – Loveland, CO**

CONTENTS

- 1. Statement and Authorization**
- 2. Permit Application**
- 3. Drilling Program**
- 4. BOP Diagram**
- 5. Surface Use Plan**
- 6. Maps and Diagrams**
- 7. Attachments**

1999 Plan of Operations

Stone Cabin/Jacks Canyon/Peters Point Areas

Mission Energy, LLC

Mission Energy has approximately 13,200 acres of federal and state land under lease on the south side of Nine Mile Canyon in the Stone Cabin, Jacks Canyon and Peters Point areas (see attached map). Our plan is to conduct an exploration program during the summer of 1999 to help determine the commercial viability of producing natural gas in this area. We are permitting five wells on federal lands and three on state lands. The actual number of wells drilled will be determined first by the results of a technical evaluation that is currently under way and secondly by success when actual drilling operations begin.

Weather, road conditions, and equipment availability will determine the actual commencement date but it is expected to occur in late May or early June of 1999. If this start date is met, and Sego Resources drills a similar number of wells to Mission, drilling should be finished and equipment released by late September or early October.

Sego Resources is in the process of permitting a similar number of wells in the area south of Nine Mile Canyon. Our plan is to work as closely as possible with them to use equipment and personnel in the most efficient manner possible. By doing so, we believe the overall impact of the operations; both visually and from a surface impact, will be minimized. Any statements made relative to Sego Resources activity are based on the best information Mission Energy has at this time and are certainly subject to change for a variety of reasons.

The current plan is to begin drilling in the Flat Top area just west of Cottonwood Canyon. Sego Resources is permitting two wells (both federal) in this area and Mission Energy expects to permit three wells (one federal and two state). Access for the drilling rig and personnel will most likely be via Gate Canyon to Nine Mile Canyon to Cottonwood Creek and then to the Flat Top area. Minimal upgrades to existing roads will be necessary to access the drilling locations. In order to minimize vehicular traffic during drilling operations, we propose to place a small earthen dam on Cottonwood Creek and pump water from the creek up the hill to the drilling locations. This water will be used for drilling and cementing and possibly for domestic use.

After drilling the Flat Top wells, probably in late July or early August, the rig will be moved west to drill locations above Prickly Pear Canyon. The most likely route for moving the drilling rig is down Cottonwood Canyon to Nine Mile Canyon and up Harmon Canyon to the proposed locations. It is possible the rig move will be completed in two days but it will more likely take three days.

During the spring of 1999, Sego Resources/Mission Energy will jointly assess any problem areas on the Harmon Canyon road such as slope failure and drainage problems. Once the assessment is completed, Sego/Mission will obtain the concurrence of the Price District of the BLM that the proposed work is acceptable to them.

Mission Energy will permit five wells (four federal and one state) in this area. It is expected that Sego Resources will also permit five wells (four federal and one state) in this area. As in the Cottonwood area, the actual number of wells drilled here will be dependent on the results of the technical evaluation that is currently underway and the actual results of drilling. Under any circumstances, Mission and Sego will attempt to minimize vehicular traffic and personnel changes by coordinating their activity.

At the present time sources of drilling water are being evaluated. If it can be shown that the existing well with the inoperative windmill (sec. 13-T12S-R14E?) can provide sufficient water, we will use that as a source well. If that is not successful, the alternative options will be to 1) build a sufficiently large earthen dam and catch snow melt, 2) pump water up the hill from Nine Mile Creek, or 3) drill a water well on top of the hill.

For additional information, contact one of the following:

Mission Energy, LLC, Jerry Bergeson, (303) 292-9775

Fisher Consulting, J. Wayne Fisher, (970) 669-8217

MISSION ENERGY, LLC

January 25, 1999

Mr. J. Wayne Fisher
Fisher consulting
8002 W CR 24H
Loveland, CO 80538

Dear Mr. Fisher:

Please use this letter as necessary to advise interested parties that you have full authorization to represent Mission Energy LLC in any and all regulatory matters pertaining to drilling permits, rights-of-way, surface owner issues and drilling water acquisition in the counties of Carbon, Duchesne, and Uintah in Utah, and Mesa and Garfield counties in Colorado.

Regards,



Jerry R. Bergeson
Manager of Operations

J. WAYNE FISHER

Oilfield Consultant

8002 W CR 24H

Loveland, CO 80538

February 2, 1999

Mark Mackiewicz
BLM, Price office
125 South 600 West
Price, UT 84501

Re: Mission Energy, LLC.

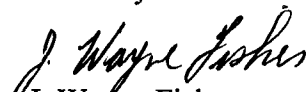
Dear Mark:

Please find enclosed eight (8) rights of way applications for Mission Energy's Nine Mile Canyon area 1999 drilling program. Maps for the proposed road rights of way are attached to each application. Dean Nyffeler of your office headed up the on-site review group when the location on-sites were performed. All of these proposals follow existing two track roads with very limited amounts of new road additions. Only minor upgrading will be required for the exploration phase of this project excepting the .4 mile section of Harmon Canyon. The road evaluation for Harmon Canyon will be completed in early spring and submitted at the time for review. At the time these wells are determined to be productive additional road improvements may be required as well as a pipeline rights of way running parallel to the various roads.

Sego Resources has or will be submitting seven (7) rights of way applications also. We propose to work with them to limit and control the construction, drilling and completion phases of this exploration program.

If additional information is required, please contact one of the following:
Wayne Fisher @ (970) 669-8217, fax (970) 635-9337 or Jerry Bergeson @ (303) 292-9775, fax (303) 292-9280

Sincerely


J. Wayne Fisher

Office: (970) 669-8217 / Fax: (970) 635-9337 / Cell: (970) 217-8525
jwfisher@sprynet.com

APPLICATION FOR TRANSPORTATION AND
UTILITY SYSTEMS AND FACILITIES
ON FEDERAL LANDS

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

FOR AGENCY USE ONLY

Application Number

Date Filed

1. Name and address of applicant (include zip code)

Mission Energy, LLC
621 17th Street, Suite 2450
Denver, CO 80293
Jerry Bergeson

2. Name, Title and address of authorized agent if different than Item 1 (include zip code)

Fisher Consulting
8002 WCR 24 H
Loveland, CO 80538
J. Wayne Fisher

TELEPHONE (area code)

Mission, Ph. (303) 292-9775
Fax: (303) 292-9280
Agent, Ph: (970) 669-8217
Fax: (970) 635-9337

4. As applicant are you (check one)

- a. ☐ Individual
b. ☒ Corporation*
c. ☐ Partnership/Association*
d. ☐ State Government/State Agency
e. ☐ Local Government
f. ☐ Federal Agency

* if checked, complete supplemental page

5. Specify what application is for: (check one)

- a. ☒ New authorization
b. ☐ Renewing existing authorization No.
c. ☐ Amend existing authorization
d. ☐ Assign existing authorization
e. ☐ Existing use for which no authorization has been received*
f. ☐ Federal Agency

* if checked, provide details under Item 7

6. If an individual, or partnership are you a citizen(s) of the United States? ☐ Yes ☐ No **N/A**

7. Project description (describe in detail): (a) Type of system or facility, (e. g. canal, pipeline, road); (b) related structures and facilities; (c) physical specifications (length, width, grading, etc.); (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction (Attach additional sheets, if additional space is needed.)

Access road for Mission Energy Well Iron Mesa #19-14

A: Road right of way, upgrade existing road to support a new drilling location (16.3 miles of this road will access four locations) and build .5 mile of new road.

B: Will file an ammended right-of-way application to add a pipeline right-of-way if well is commercial.

C: The access will begin at the junction of Nine Mile Canyon Road and Cottonwood Creek Road. One half mile of new road will be required.

Of the 16.8 miles of effected road 3.1 miles will need extensive repair, 6.8 miles will need minor upgrading plus .7 mile of new road (.2 Segor/.5 Mission) to support drilling operations with an 18' road bed with maximum of 30' disturbance. Our plan would be to blade and clean up existing road and build new road to the minimum standards until such time as well would be considered to be productive.

D: Initial exploration and completion phase would last approximately 90 days. If commercial for life of well (+/- 30 years).

E: Drilling and completion operations would take place between May 1 and Nov. 30, with minimal production operations during balance of the year.

F: A pipeline right-of-way would be requested after well is tested and completed as requested by Mark Mackiewicz, BLM office, Price. (Pipeline route would parallel the road where possible and then drop into Dry Creek to tie-into an existing 3" main line.)

G: Anticipated construction would take place during the months of May or June

H: None anticipated at this time.

8. Attach a map covering area and show location of project proposal: **Attached**

9. State or Local government approval: ☐ Attached ☐ Applied for ☒ Not required

10. Nonreturnable application fee: ☐ Attached ☒ Not required at this time per Mark Mackiewicz, Price BLM office 11/16/98.

11. Does project cross international boundary or affect international water way? ☐ Yes ☒ No (if yes, indicate on map)

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.

13a. Describe other reasonable alternative routes and modes considered.

None

b. Why were these alternatives not selected?

N/A

c. Give explanation as to why it is necessary to cross Federal Lands.

Do to the limited access on the top of this mesa there is no other practical access route. There has already been physical disturbance to this area. The additional disturbance our request asks for will be minimal.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, code, or name)

Mission Energy is submitting two (Fed.19-14 and State 36-06) Rights of way applications for the this same length of road so as to access two proposed locations in this area. Mission currently holds a permit for Rights of way for the first 6.4 miles of this route. Sego has or will file two Rights of way applications to use this same road to access there two proposed locations (Fed. 30-07 and Fed. 31-04).

15. Provide statement of need for project, including the economic feasibility and items such as (a) cost of proposal (construction, operation, and maintenance; (b) estimated cost of next best alternative; and (e) expected public benefits.

Access to new drilling location: A: Estimated total cost of upgrade =\$7500.00 which will be split by Mission and Sego between there four proposed wells that this road will access, Mission Fed.19-14 = \$2750, St.36-06 = \$1250, Sego Fed.30-07 = \$2250, Fed.31-04 = \$1250. B: N/A C: N/A

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

This area does not have any private lands in the immediate area. Impacts to the area will be minimal as there is very limited recreation usage.

17. Describe likely environmental affects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; (f) the surface of the land, including vegetation, permafrost, soil, and soil stability.

A: N/A B: Limited, as this access route is mostly on rolling terrain with one step grade (+/- .4 mile) with rock/shale base and limited visibility from surrounding area. C: N/A D: N/A, there are no streams that this route will effect. E: N/A, only temporary increase in noise during drilling and completion operations. F: Limited, due to the mostly level terrain and the short distance of new road required.

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plant, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

A. Limited, there are no known fish, marine life, threatened or endangered species present. Due to the fact that all but .7 of a mile of this road already exists the proposed upgrading will have minimal effect on plant or wildlife. B. This project will not change the land use status as far as hunting and other recreational uses are concerned.

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability act of 1980, as amended, 42 U.S.A.. 9601 et seq., and its regulations. The definition of hazardous substances under CHERVIL includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RHEA), as amended, 42 U.S.A.. 9601 et seq., and its regulations. The term hazardous material also includes any nuclear or by-product material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.A.. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CHERVIL Section 101(14)m 42 U.S.A.. 9601 (14), nor does the term include natural gas.

N/A

20 Name of al the Department(s)/Agency(ies) where this application is being filed.

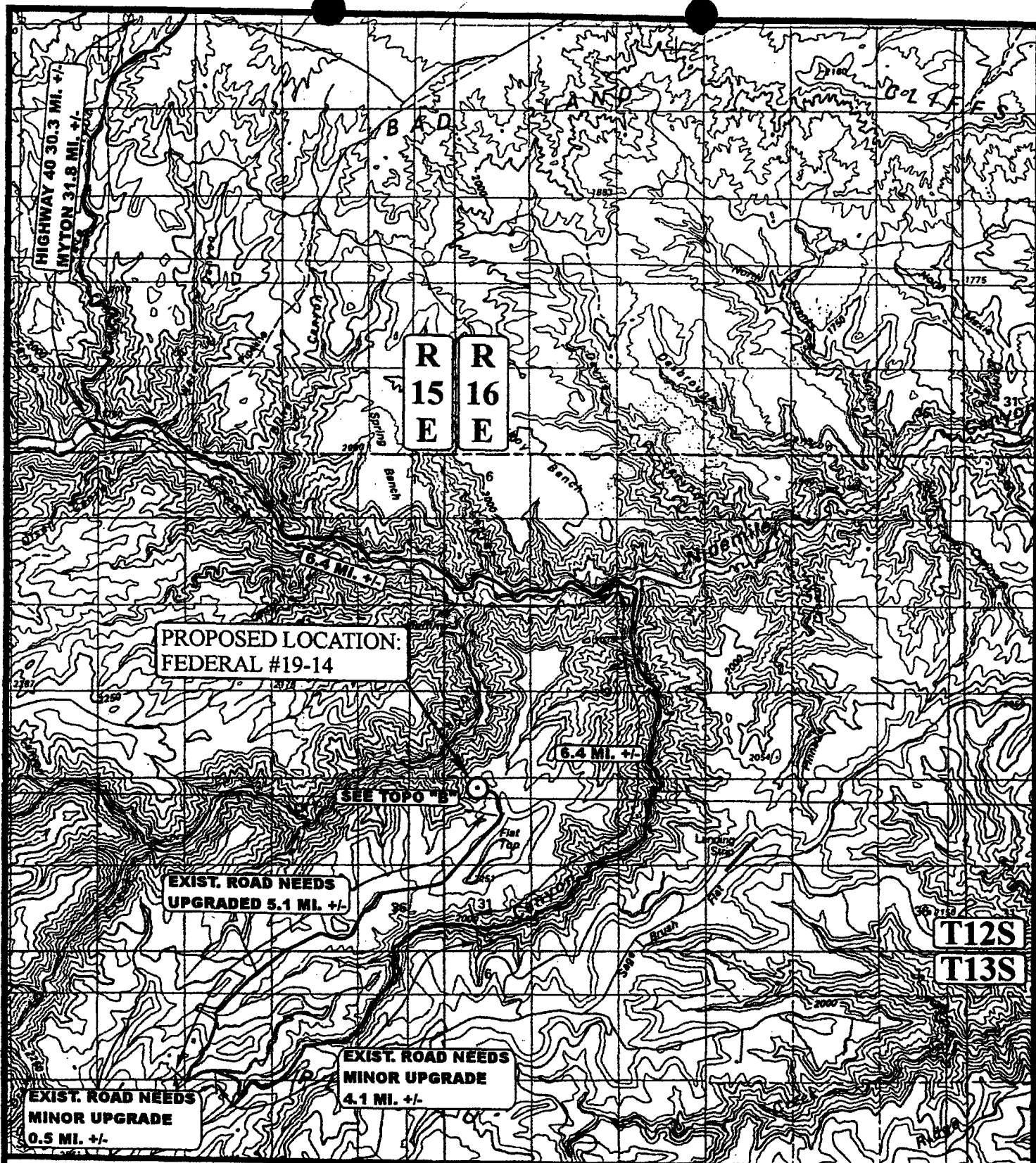
BUREAU OF LAND MANAGEMENT, PRICE DISTRICT OFFICE

I HEREBY CERTIFY. That I am of legal age and authorized to do business in the State and that I have personally examined the inform information information submitted is correct to the best of my knowledge.

Signature of Applicant:

Date:

Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statement or representations as to any matter within its jurisdiction.



LEGEND:

○ PROPOSED LOCATION

N

MISSION ENERGY, L.L.C.

FEDERAL #19-14

SECTION 19, T12S, R16E, S.L.B.&M.

207' FSL 2178' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

9 17 98
MONTH DAY YEAR

A
TOPO

SCALE: 1:100,000 DRAWN BY: J.L.G. REV. C.G. 10-30-98

R
15
E

R
16
E

PROPOSED LOCATION:
FEDERAL #19-14

PROPOSED ACCESS 0.5 MI. +/-

PROPOSED #30-07

PROPOSED ACCESS FOR
THE #30-07 0.2 MI. +/-

Flat Iron Mesa

HIGHWAY 40 44.0 MI. +/-
MYTON 45.5 MI. +/-

T12S

LEGEND:

--- PROPOSED ACCESS ROAD
— EXISTING ROAD

N

MISSION ENERGY, L.L.C.

FEDERAL #19-14

SECTION 19, T12S, R16E, S.L.B.&M.

207' FSL 2178' FWL

U
T
S

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

9 17 98
MONTH DAY YEAR

B

SCALE: 1" = 2000' | DRAWN BY: J.L.G. | REV: C.G. 10.30.08

J. WAYNE FISHER

*Oilfield Consultant
8002 W CR 24H
Loveland, CO 80538*

February 1, 1999

Utah Division of Oil, Gas and Mining
Attn: Lisha Cordova
P O Box 145801
Salt Lake City, Utah 84114-5801

Re: Exception Location, Iron Mesa Federal # 19-14

Dear Ms. Cordova


This letter is to request an exception location for the proposed well Iron Mesa Federal #19-14, and confirm that Sego Resources are the only other lease holders within a 460' radius of this proposed well. *See attached copy of Sego consent letter for this location.*

The reason this well is located at it's current location is due to topographical issues and a request by the Price BLM office to relocate from the original selected location due to wildlife grazing concerns. At the onsite inspection it was elected to move this location to limit impact to possible wildlife issues.

Enclosed are a map and a lease description showing the boundaries of adjoining leases. The effected leases are Mission UTU-65486 and Sego UTU-74397. Both of these leases are within the Jacks Canyon Unit.

Thank you for your attention to this matter. If additional information is needed, please contact me at (970) 669-8217 or by fax at (970) 635-9337.

Sincerely,



J. Wayne Fisher
Agent for Mission Energy

Office: (970) 669-8217 / Fax: (970) 635-9337 / Cell: (970) 217-8525
jwfisher@sprynet.com

SEGO RESOURCES

AN EXPLORATION AND PRODUCTION COMPANY

February 1, 1999

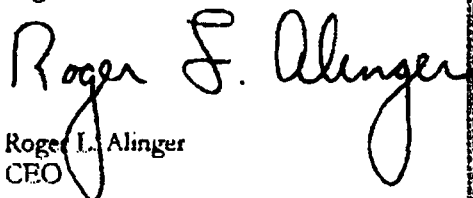
Mr. Wayne Fisher
Fisher Consulting
8002 WCR 24H
Loveland, CO 80538

Re: Mission Energy Exception Locations

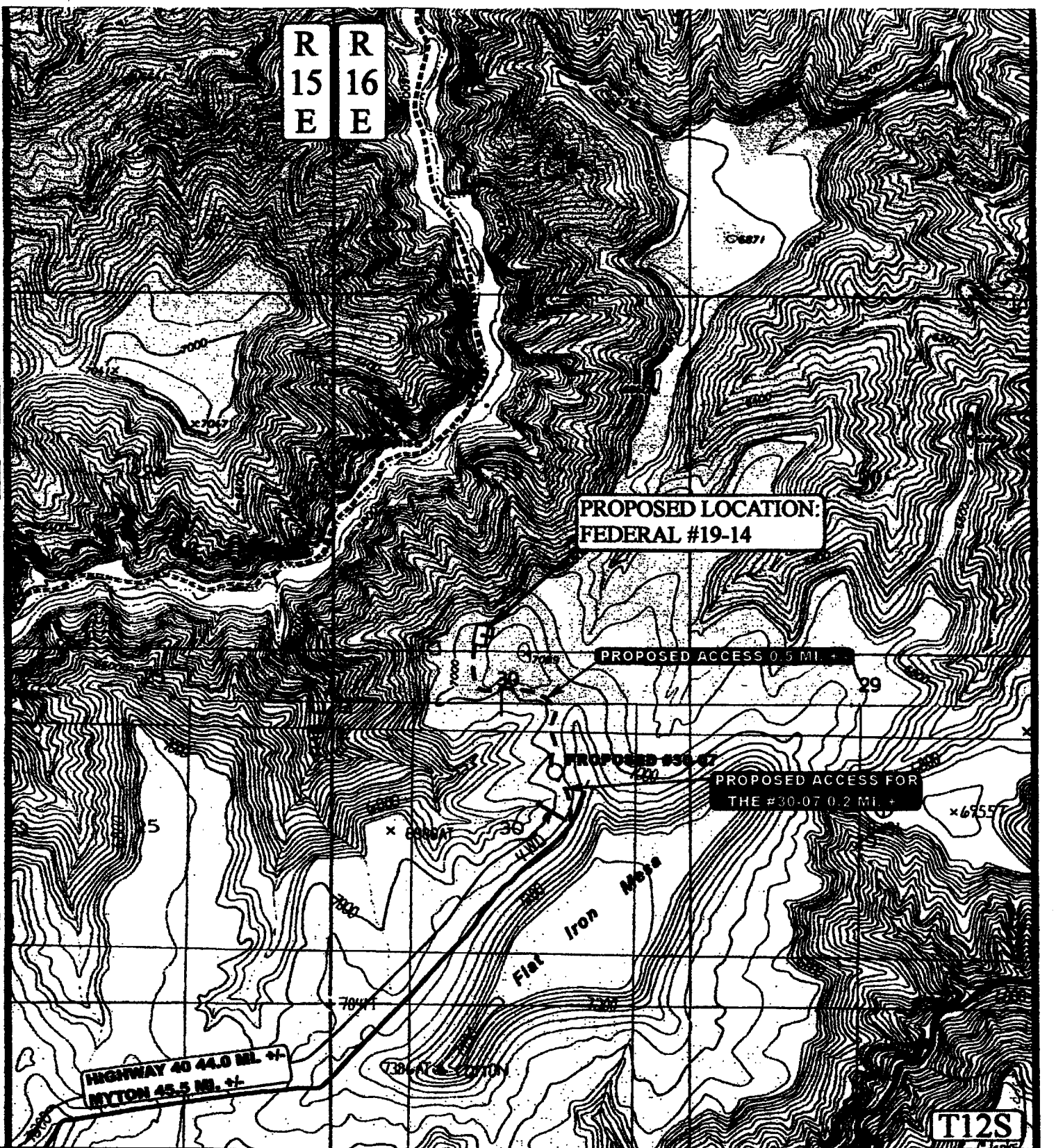
Dear Mr. Fisher:

Please be advised that Segro Resources, as offset lease holder, does not object to the Mission Energy proposed locations for the Plateau Federal 30-02, NWNE Sec. 30, T12S, R15E and the Iron Mesa Federal 19-14, SESW, Sec. 19, T12S, R16E.

Regards,


Roger L. Alinger
CEO

Iron Mesa Federal #19-14
Location map



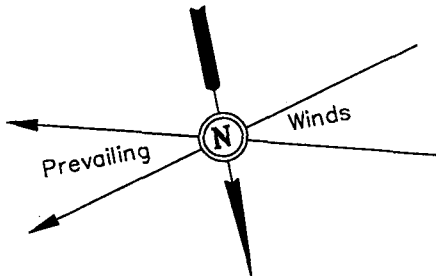
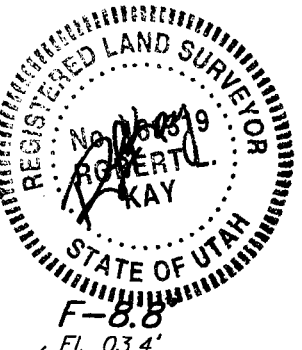
UTU-65486 lease description: T12S, R16E, Sec. 18: SE/4; Sec.19 & 20 ALL; Sec. 21: N/2NW/4SW4, SE/4.
 UTU-74397 lease description: T12S, R16E, Sec. 28 & 29 ALL; Sec. 30: Lots 1, 2, E/2, E/2NW/4; Sec. 31: Lots 1, 2 NE/4, E/2NW/4

MISSION ENERGY, L.L.C.

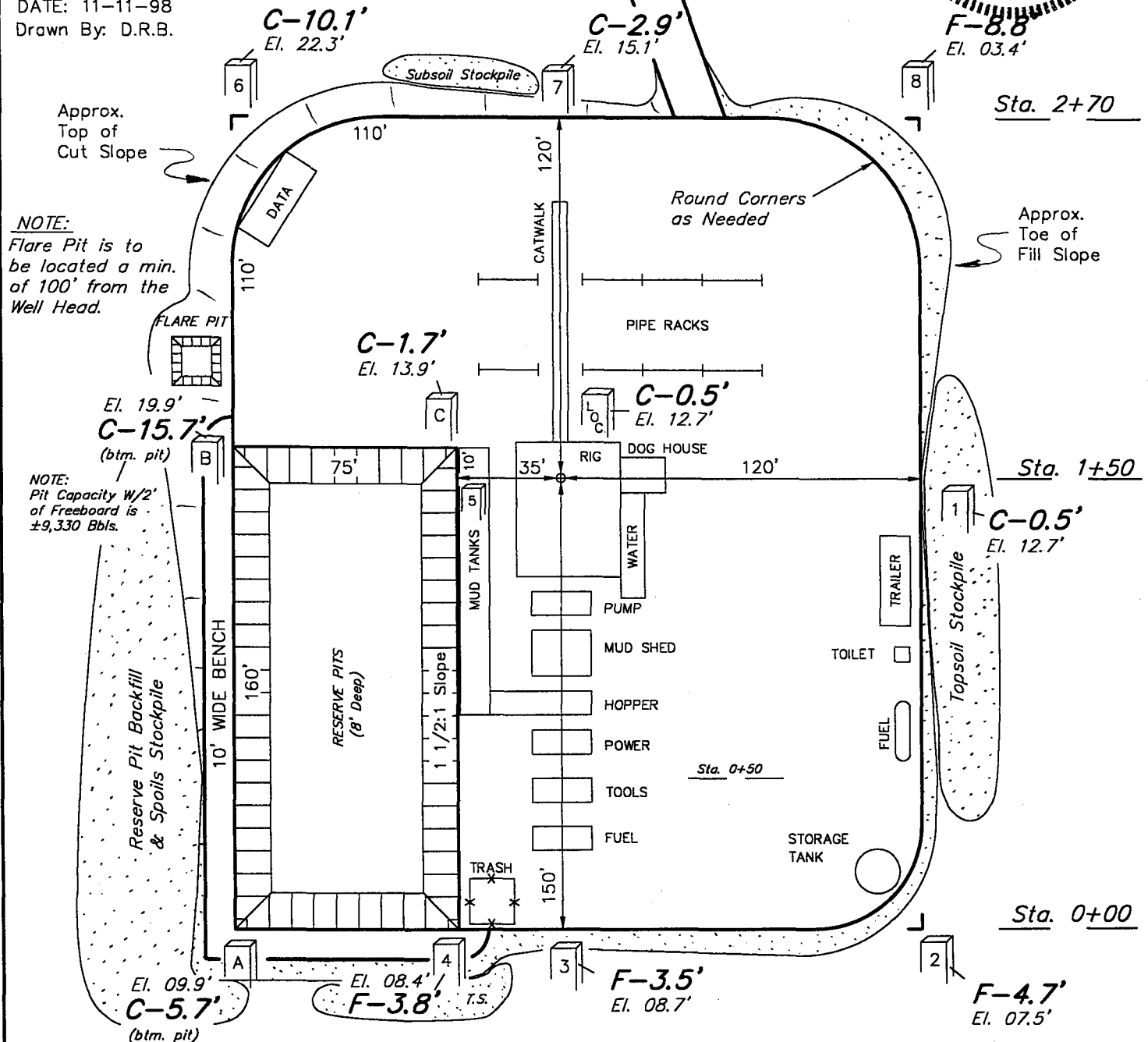
LOCATION LAYOUT FOR

FEDERAL #19-14
SECTION 19, T12S, R16E, S.L.B.&M.

207' FSL 2178' FWL

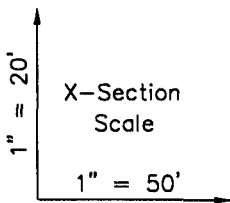


SCALE: 1" = 50'
DATE: 11-11-98
Drawn By: D.R.B.



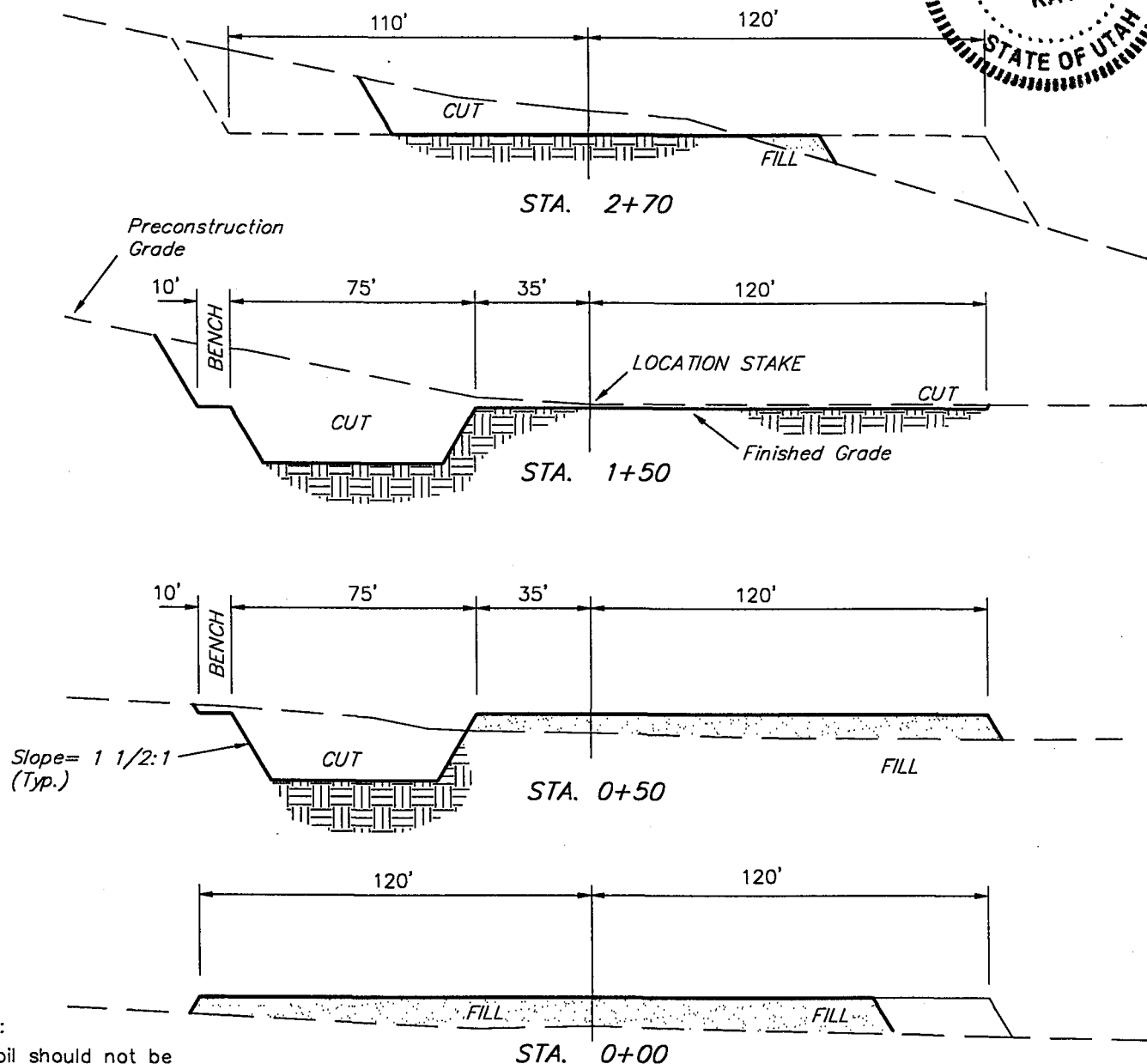
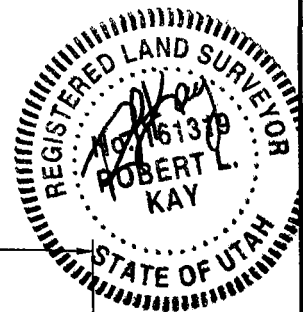
Elev. Ungraded Ground at Location Stake = 7012.7'
Elev. Graded Ground at Location Stake = 7012.2'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



MISSION ENERGY, L.L.C.
TYPICAL CROSS SECTIONS FOR
FEDERAL #19-14
SECTION 19, T12S, R16E, S.L.B.&M.
207' FSL 2178' FWL

DATE: 11-11-98
Drawn By: D.R.B.



NOTE:

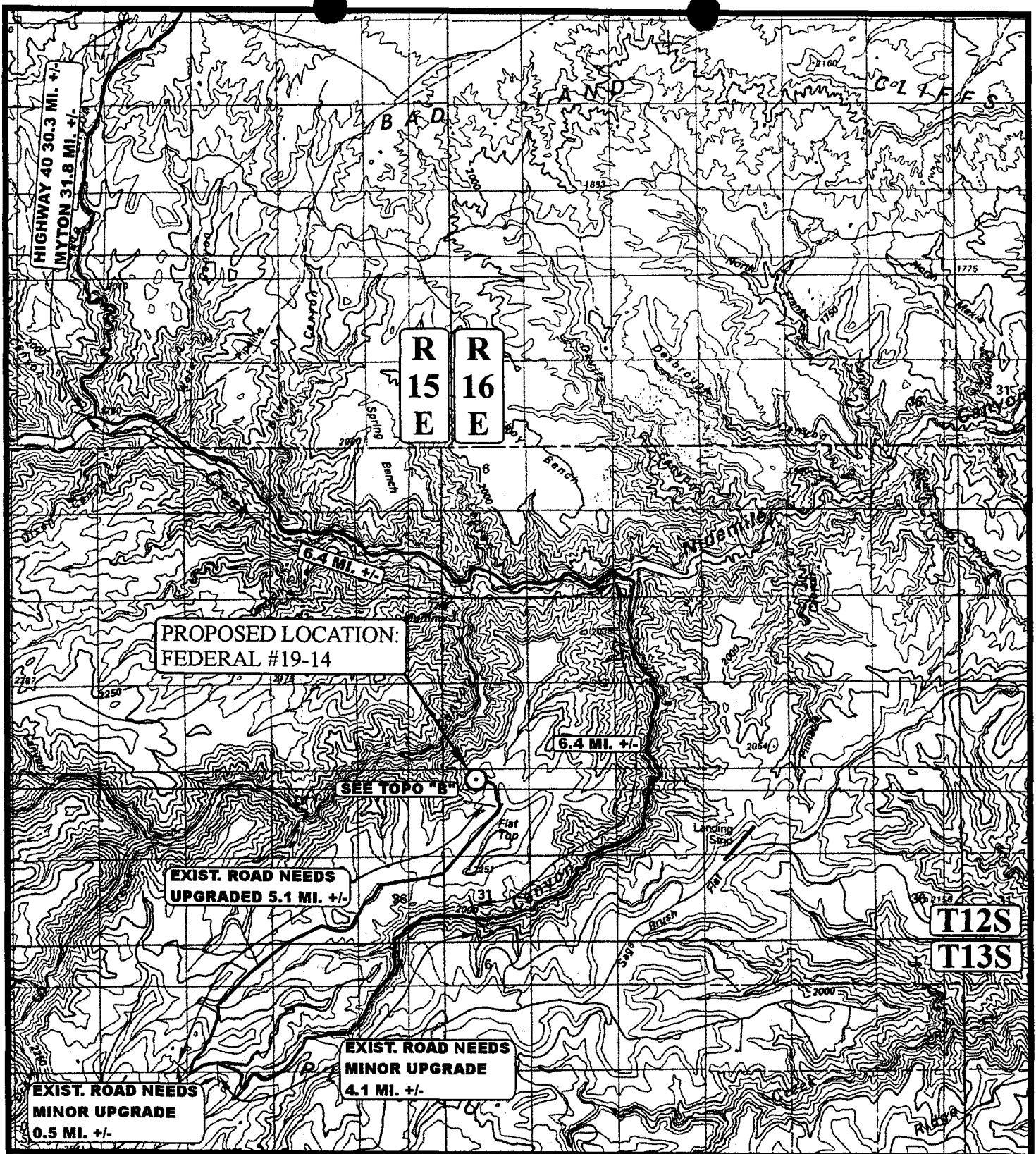
Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,150 Cu. Yds.
Remaining Location = 5,340 Cu. Yds.
TOTAL CUT = 6,490 CU.YDS.
FILL = 2,910 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 3,430 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 2,540 Cu. Yds.
EXCESS UNBALANCE = 890 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



MISSION ENERGY, L.L.C.

FEDERAL #19-14
SECTION 19, T12S, R16E, S.L.B.&M.
207' FSL 2178' FWL



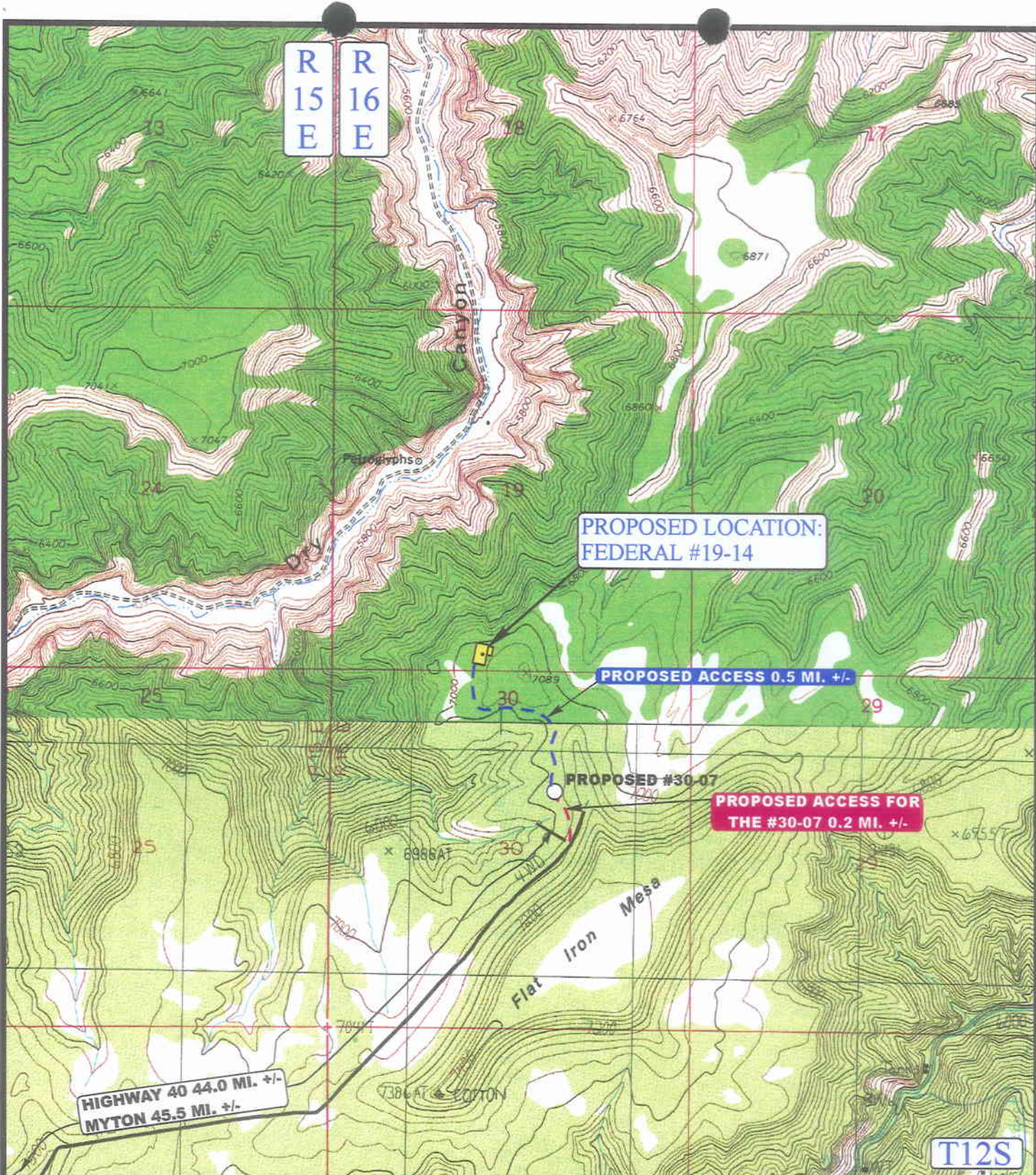
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

9 17 98
MONTH DAY YEAR

A
TOPO

SCALE: 1:100,000 DRAWN BY: J.L.G. REV: C.G. 10-30-98



LEGEND:

- PROPOSED ACCESS ROAD
 — EXISTING ROAD

MISSION ENERGY, L.L.C.

FEDERAL #19-14
 SECTION 19, T12S, R16E, S.L.B.&M.
 207' FSL 2178' FWL



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TOPOGRAPHIC
 MAP

9 17 98
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REV: C.G. 10-30-98

B
 TOPO

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/03/1999

API NO. ASSIGNED: 43-007-30523

WELL NAME: IRON MESA FED 19-14

OPERATOR: WASATCH OIL & GAS CORP (N4520)

CONTACT: HEGGIE WILSON, AGENT

PHONE NUMBER: 801-451-9200

PROPOSED LOCATION:

SESW 19 120S 160E

SURFACE: 0207-FSL 2178-FWL

BOTTOM: 0207-FSL 2178-FWL

CARBON

WILDCAT (1)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-65486

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

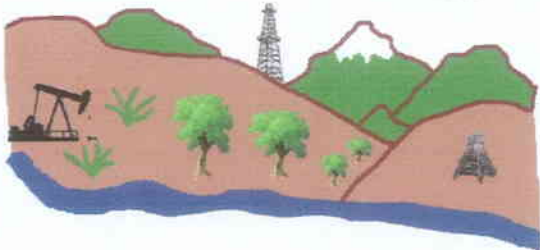
☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UT-1128)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5 (B) or 190-3
☒ Water Permit
(No. 90-642)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3. Unit JACK*S CANYON
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ ~~R649-3-3. Exception~~
☒ Drilling Unit
Board Cause No: 157-03
Eff Date: 5-29-01
Siting: *Suspended Reg. Siting
460' fr. Unit Boundary
___ R649-3-11. Directional Drill

COMMENTS: *Cont. reg. removed per Wasatch.

STIPULATIONS: 1-Federal Approval



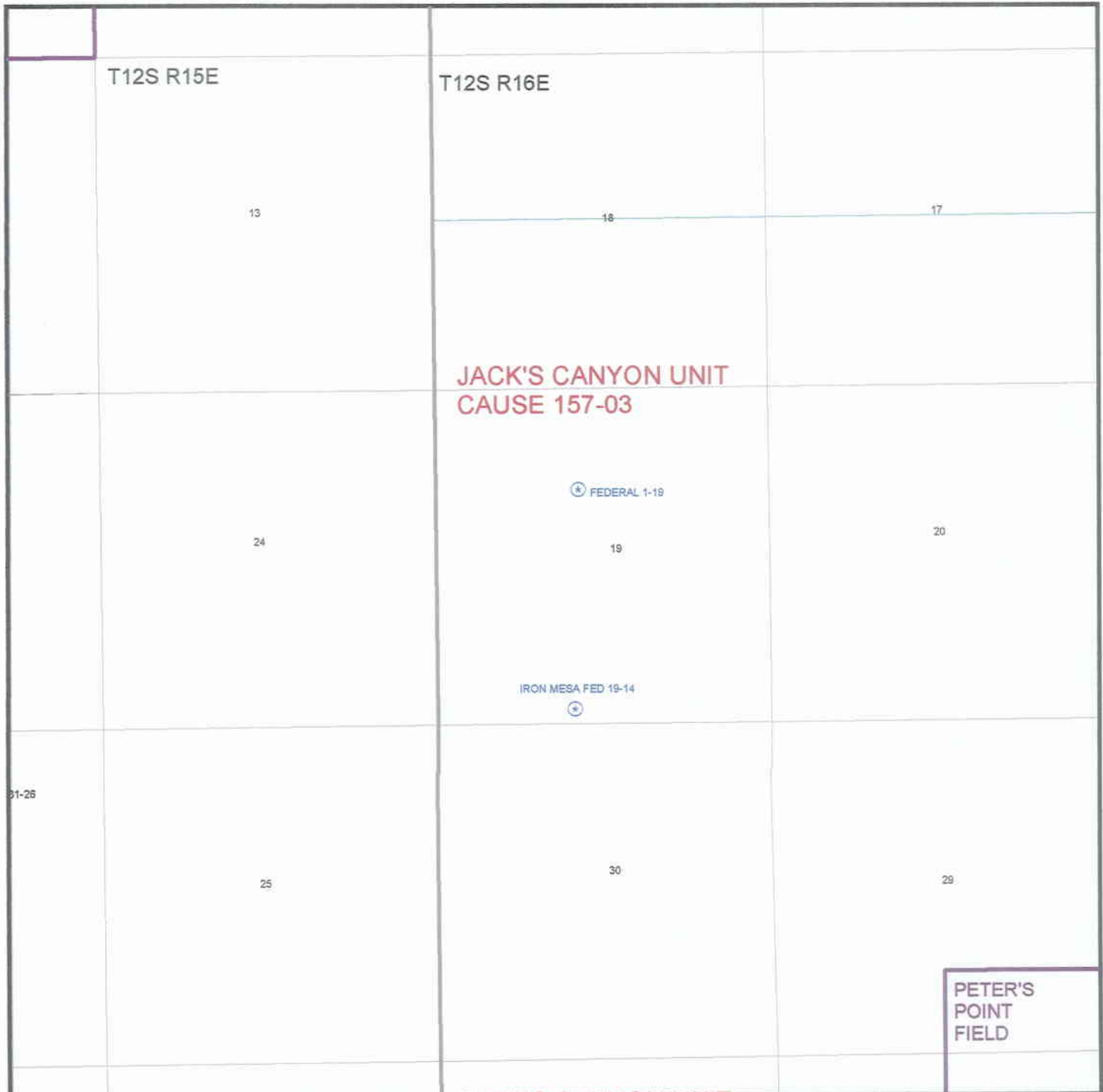
Utah Oil Gas and Mining

OPERATOR: WASATCH O&G CORP (N4520)

SEC. 19, T12S, R16E

FIELD: WILDCAT (001)

COUNTY: CARBON UNIT: JACKS CANYON
CAUSE: 157-03

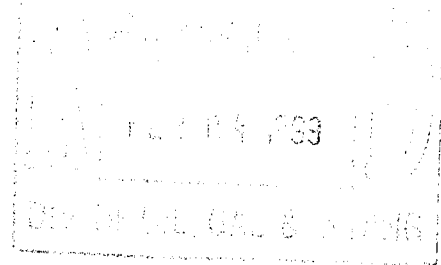


J. WAYNE FISHER

*Oilfield Consultant
8002 W CR 24H
Loveland, CO 80538*

February 2, 1999

Brad Hill
Utah, Division Oil, Gas and Mining
1594 West North Temple
Salt Lake City, UT 84114-5801




Re: Mission Energy LLC

Dear Brad:

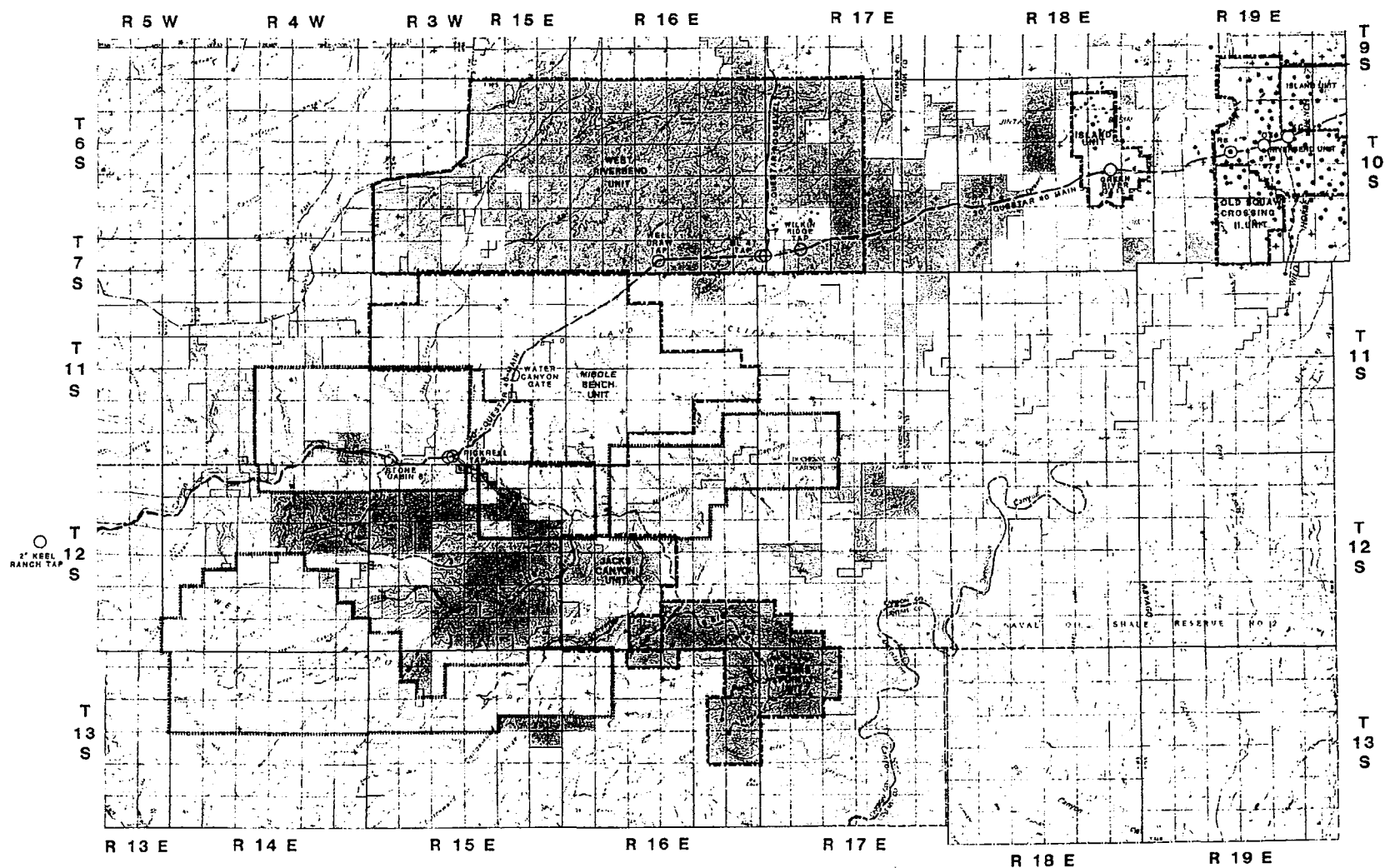
Please find enclosed copies of three (3) State and five (5) Federal APD for Mission Energy's Nine Mile Canyon area 1999 drilling program. I have also included a copy of Mission's operation statement and an area lease holding map. Copies of the State wells have been mailed to the Roosevelt office. Rights-of-way have been filed for with the BLM Price office.

If additional information is required, please contact one of the following:
Wayne Fisher @ (970) 669-8217, fax (970) 635-9337 or Jerry Bergeson @ (303) 292-9775, fax (303) 292-9280.

Sincerely


J. Wayne Fisher

*Office: (970) 669-8217 / Fax: (970) 635-9337 / Cell: (970) 217-8525
jwfisher@sprynet.com*



LAND LEGEND

- SEG0 RESOURCES
- SEG0 / MISSION
- MISSION ENERGY
- McCULLISS RESOURCES
- SKS
- CHANDLER
- OTHER

- CURRENT EXPLORATORY UNITS
- TAR SANDS

PIPELINE TAP OR HEADER

1999 Plan of Operations

Stone Cabin/Jacks Canyon/Peters Point Areas

Mission Energy, LLC

Mission Energy has approximately 13,200 acres of federal and state land under lease on the south side of Nine Mile Canyon in the Stone Cabin, Jacks Canyon and Peters Point areas (see attached map). Our plan is to conduct an exploration program during the summer of 1999 to help determine the commercial viability of producing natural gas in this area. We are permitting five wells on federal lands and three on state lands. The actual number of wells drilled will be determined first by the results of a technical evaluation that is currently under way and secondly by success when actual drilling operations begin.

Weather, road conditions, and equipment availability will determine the actual commencement date but it is expected to occur in late May or early June of 1999. If this start date is met, and Sego Resources drills a similar number of wells to Mission, drilling should be finished and equipment released by late September or early October.

Sego Resources is in the process of permitting a similar number of wells in the area south of Nine Mile Canyon. Our plan is to work as closely as possible with them to use equipment and personnel in the most efficient manner possible. By doing so, we believe the overall impact of the operations; both visually and from a surface impact, will be minimized. Any statements made relative to Sego Resources activity are based on the best information Mission Energy has at this time and are certainly subject to change for a variety of reasons.

The current plan is to begin drilling in the Flat Top area just west of Cottonwood Canyon. Sego Resources is permitting two wells (both federal) in this area and Mission Energy expects to permit three wells (one federal and two state). Access for the drilling rig and personnel will most likely be via Gate Canyon to Nine Mile Canyon to Cottonwood Creek and then to the Flat Top area. Minimal upgrades to existing roads will be necessary to access the drilling locations. In order to minimize vehicular traffic during drilling operations, we propose to place a small earthen dam on Cottonwood Creek and pump water from the creek up the hill to the drilling locations. This water will be used for drilling and cementing and possibly for domestic use.

After drilling the Flat Top wells, probably in late July or early August, the rig will be moved west to drill locations above Prickly Pear Canyon. The most likely route for moving the drilling rig is down Cottonwood Canyon to Nine Mile Canyon and up Harmon Canyon to the proposed locations. It is possible the rig move will be completed in two days but it will more likely take three days.

During the spring of 1999, Sego Resources/Mission Energy will jointly assess any problem areas on the Harmon Canyon road such as slope failure and drainage problems. Once the assessment is completed, Sego/Mission will obtain the concurrence of the Price District of the BLM that the proposed work is acceptable to them.

Mission Energy will permit five wells (four federal and one state) in this area. It is expected that Sego Resources will also permit five wells (four federal and one state) in this area. As in the Cottonwood area, the actual number of wells drilled here will be dependent on the results of the technical evaluation that is currently underway and the actual results of drilling. Under any circumstances, Mission and Sego will attempt to minimize vehicular traffic and personnel changes by coordinating their activity.

At the present time sources of drilling water are being evaluated. If it can be shown that the existing well with the inoperative windmill (sec. 13-T12S-R14E?) can provide sufficient water, we will use that as a source well. If that is not successful, the alternative options will be to 1) build a sufficiently large earthen dam and catch snow melt, 2) pump water up the hill from Nine Mile Creek, or 3) drill a water well on top of the hill.

For additional information, contact one of the following:

Mission Energy, LLC, Jerry Bergeson, (303) 292-9775

Fisher Consulting, J. Wayne Fisher, (970) 669-8217

FEB. 2, 1999

DEAR LISHA

THESE EXCEPTION LOCATION REQUESTS (5) ARE PART
OF AN EIGHT WELL PACKAGE I'M SENDING TO YOU
FOR MISSION ENERGY.

THEY'RE 5 FEDERAL AND 3 STATE PERMITS.

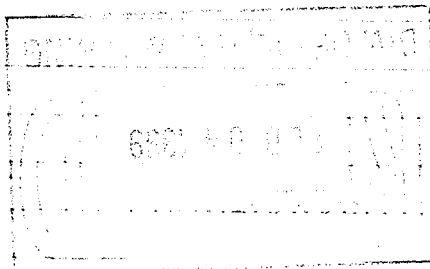
RIGHTS OF WAY HAVE BEEN FILED WITH THE BLM FOR
ALL EIGHT PERMITS.

WILL FORWARD WATER RIGHTS PERMITS AS SOON AS
PAPER WORK FINISHED.

BONDS WILL BE FORWARDED MID. MARCH OR EARLY
APRIL.

THANKS:

Wayne

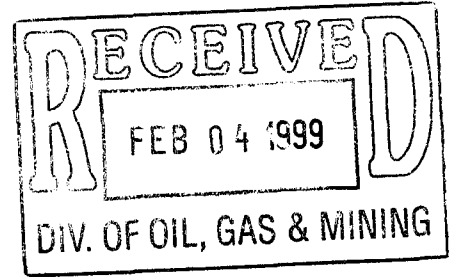


J. WAYNE FISHER

Oilfield Consultant

8002 W CR 24H

Loveland, CO 80538



February 1, 1999

Utah Division of Oil, Gas and Mining
Attn: Lisha Cordova
P O Box 145801
Salt Lake City, Utah 84114-5801

Re: Exception Location, Iron Mesa Federal # 19-14

Dear Ms. Cordova

This letter is to request an exception location for the proposed well Iron Mesa Federal #19-14, and confirm that Sego Resources are the only other lease holders within a 460' radius of this proposed well. *See attached copy of Sego consent letter for this location.*

The reason this well is located at it's current location is due to topographical issues and a request by the Price BLM office to relocate from the original selected location due to wildlife grazing concerns. At the onsite inspection it was elected to move this location to limit impact to possible wildlife issues.

Enclosed are a map and a lease description showing the boundaries of adjoining leases. The effected leases are Mission UTU-65486 and Sego UTU-74397. Both of these leases are within the Jacks Canyon Unit.

Thank you for your attention to this matter. If additional information is needed, please contact me at (970) 669-8217 or by fax at (970) 635-9337.

Sincerely,

J. Wayne Fisher
Agent for Mission Energy

Office: (970) 669-8217 / Fax: (970) 635-9337 / Cell: (970) 217-8525

jwfisher@sprynet.com

SEGO RESOURCES
AN EXPLORATION AND PRODUCTION COMPANY

February 1, 1999

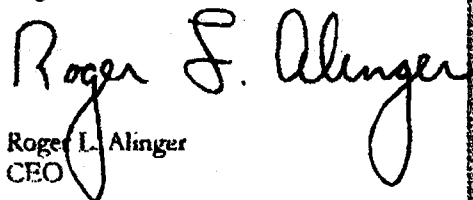
Mr. Wayne Fisher
Fisher Consulting
8002 WCR 24H
Loveland, CO 80538

Re: Mission Energy Exception Locations

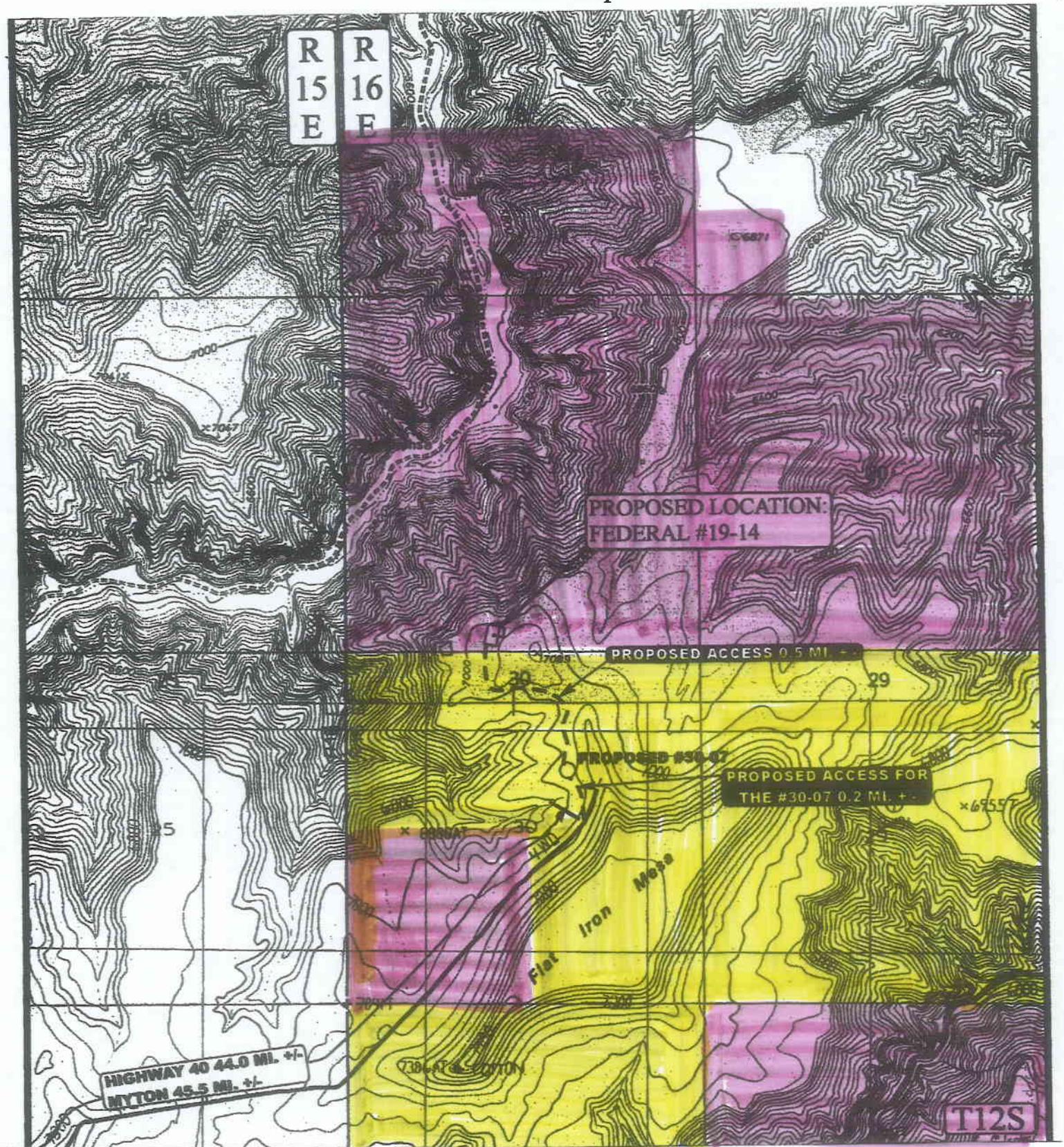
Dear Mr. Fisher:

Please be advised that Sego Resources, as offset lease holder, does not object to the Mission Energy proposed locations for the Plateau Federal 30-02, NWNE Sec. 30, T12S, R15E and the Iron Mesa Federal 19-14, SESW, Sec. 19, T12S, R16E.

Regards,


Roger L. Alinger
CEO

*Iron Mesa Federal #19-14
Location map*



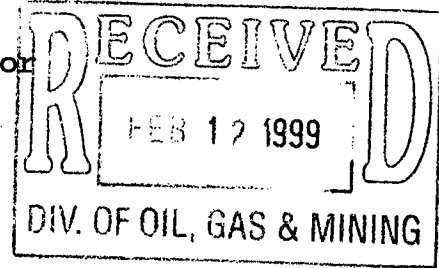
UTU-65486 lease description: T12S, R16E, Sec. 18: SE/4; Sec. 19 & 20 ALL; Sec. 21: N/2NW/4SW4, SE/4.

UTU-74397 lease description: T12S, R16E, Sec. 28 & 29 ALL; Sec. 30: Lots 1, 2, E/2, E/2NW/4; Sec. 31: Lots 1, 2 NE/4, E/2NW/4

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155



IN REPLY REFER TO:
3160
(UT-922)

February 11, 1999

Memorandum

To: Assistant District Manager Minerals, Moab District
From: Michael Coulthard, Petroleum Engineer
Subject: 1999 Plan of Development Jack's Canyon Unit
Carbon County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following well is planned for calendar year 1999 within the Jack's Canyon Unit, Carbon County, Utah.

API #	WELL NAME	LOCATION
43-007-30523	IRON MESA FED 19-14	0207-FSL 2178-FWL 19 12S 16E

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - Jacks Canyon Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:2-11-99

Mission Energy LLC

May 31, 2000

Mr. John Baza
Utah Division of Oil, Gas, & Mining
1594 West North Temple Suite 1210
Salt Lake City, UT 84114-5801

4/6/29

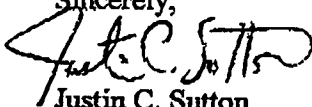
Meggie Wilson picked
up info.
JC

Dear John:

Please give Wasatch Oil & Gas Corporation access to all documents relating to permitting on the below listed locations. This list should include all locations Mission has identified as drillsites. Some of these leases (anything in Ranges 14 and 15 East) have been already transferred to Wasatch and we are considering transferring the remaining leases to Wasatch.

- ✓ I. M. Fed #19-14 - SE/SW Sec. 19, T12S, R16E
- ✓ P. P. Fed #25-02 - NE/NW Sec. 25, T12S, R14E
- ✓ S. R. Fed #29-11 - NE/SW Sec. 29, T12S, R15E
- ✓ P. Fed #30-02 - NW/NW Sec. 30, T12S, R15E
- ✓ S. R. Fed #30-15 - SW/SE Sec. 30, T12S, R15E
- ✓ Henzel Fed #1-29 - NW/NE Sec. 29, T12S, R15E
- ✓ Federal # 1-19 - SE/NW Sec. 19, T12S, R16E
- ✓ LaVinia State #2-32 - SE/NE Sec. 32, T12S, R16E
- ✓ F. T. State #36-06 - SE/NW Sec. 36, T12S, R15E
- ✓ U. C. State #16-15 - SW/SE Sec. 16, T12S, R15E
- ✓ S. B. State #2-03 - NE/NW Sec. 2, T12S, R15E

Sincerely,



Justin C. Sutton
Manager

JCS:da

Cc: Todd Cusick

C:\Mission\Wasatch\Lease\Document\AccessBaza.doc

531 Encinitas Boulevard, Suite 200
Encinitas, CA. 92024
Phone 760.436.9877 Fax 760.436.5777

From: <Marie_McGann@ut.blm.gov>
To: <nrogm.lcordova@state.ut.us>
Date: 8/28/00 10:08AM
Subject: River Gas and Mission APDs

Hi Lisha,

This is a response to your phone call last week.

River Gas 21-10-35: RGC confirmed that the USA 21-35 is a "replacement" for the 21-10-35. RGC is aware that since the approval period of the 21-10-35 expired so long ago this was not a valid approval anyway. We are not going to officially (via letter) rescind the approval. I'm just going to document that RGC is aware that this permit is no longer valid.

Mission Energy APDs: I currently have 8 APDs. They are: 1-10, 1-19, 1-29, 19-14, 25-02, 29-11, 30-02 and 30-15. We are still waiting for input from the Price BLM Office, so we'll just keep holding on to them. I don't think any of them will be approved this year. Wasatch Oil & Gas has not submitted change of operator requests for these locations yet, but we've heard they plan to.

Have a good week!

Marie

February 23, 2001

Ms. Marie McGann
Bureau of Land Management
82 Dogwood Lane
Moab, UT 84532

Mr. Dean Nyffeler
Bureau of Land Management
Price Field Office
125 South 600 West
Price, UT 84501

Re: Status of Mission Energy's APD's
Nine Mile Canyon Area

Dear Marie and Dean:

I have been working with Lisha Cordova at the DOGM to determine the status of the APD's that were submitted by Mission Energy to the BLM and State between 1997 and 1999. Wasatch has become a successor of interest to the leasehold once previously owned by Mission and we are trying to determine if we want to complete the permitting process for any of these permits. It is my understanding that some of these permits have not had EA's conducted on them or are deficient in some other way.

I am in hope that the BLM, Wasatch and the DOGM can come to some sort of landing as to the exact status of these permits and we can either complete the permitting process or abandon them. I do not believe that any of these APD's would jeopardize some of the lease suspension, but I may be mistaken and would appreciate your comments.

Enclosed is a DOGM printout of the permits that have been filed with their office (inclusive of SITLA lands).

Your attention in regards to this matter is greatly appreciated.

Sincerely,

R. Heggie Wilson
Agent



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office
125 South 600 West
Price, Utah 84501

R. Heggie Wilson, Agent
Wasatch Oil & Gas
P. O. Box 699
Farmington, Utah 84025-0699



3160
(UT-070)
Wasatch Oil & Gas

MAR 6 2001

Dear Mr Wilson:

This letter is in response to both of your recent letters to our Price and Moab Field Offices. In the first letter you raised the issue of the Harmon Canyon Road and the Harmon Canyon Bridge. Since your company is new to the area, let's review the history of this boxcar bridge. This bridge was initially placed over Nine Mile Creek to gain access to Cottonwood Canyon. It was identified as unsafe by our engineering staff and replaced with the current modern bridge shortly before your company began operating the wells south of Nine Mile. The boxcar bridge was moved by one of the ranchers to Harmon Canyon. When our engineer came out on a field inspection of Harmon Canyon Road, he was asked how much weight the bridge would hold. He refused to give an estimate because the bridge was patently unsafe in his mind. It was determined that heavy equipment should not use the bridge. The bridge was removed because it was unsafe, and it would be our responsibility if any accidents occurred from its use. At present, there are no plans to replace this bridge because the crossing bottom is firm and stable. It was decided that even heavy drilling traffic could use the crossing if aircraft landing mats were used to protect the banks during high traffic times. This was acceptable to the State Water Engineer's representative.

In your second letter, you asked about the other eight APDs submitted by Mission's various agents over the last several years. The proposed Iron Mesa Federal 19-14 needed very little, if considered by itself, to comply with the National Environmental Protection Act. Mission/Sego was going to pick a route to pump drilling water to the top of the ridge to eliminate water hauling. Once this route was finalized and archeologically cleared, the four wells on top (three Sego, one Mission) would have been finished with the NEPA process. The wildlife and plant studies may need to be repeated because of the length of time that has passed since the original studies were done.

The Henzel Federal 1-29, if considered by itself, needed no more environmental studies and could be drilled simply by updating the wildlife and plant studies.

The Federal 1-19 well has significant archeological and riparian problems. The original location is across Dry Creek and on top of several small debris slides of unknown age. Significant archeological finds could be buried under the debris. Also, the lease contains a stipulation that states, **"No occupancy or other surface disturbance will be allowed within 330 feet of the centerline or within the 100-year recurrence interval flood plain, whichever is greater, of the perennial streams, or within 660 feet of springs, whether flowing or not.** This distance may be modified when specifically approved in writing by the authorized officer of the

Bureau of Land Management." The interdisciplinary team has recommended not approving this well at the staked location. Another location up the canyon on the other side of the road a short distance was found by Wayne Fisher and Dean Nyffeler, but it was never staked and is very close to the Jack's Canyon Unit Boundary.

Two problems were never resolved on the Prickly Pear Federal 25-02, the South Ridge Federal 29-11, the Plateau Federal 30-02, and the South Ridge Federal 30-15. The first problem was that access to these wells was never finalized because of the problems with the Harmon Canyon and Prickly Pear Roads. The second problem was determining where drilling water would be obtained. Our engineer's report on Harmon Canyon Road was furnished to Todd Cusick and should be available in your office. We will include only a brief synopsis here rather than review the entire two pages.

The road is between the creek and the slump and has water running across it from the large slump area. Two engineering firms were retained by BLM to study the slumping area and some recommendations were made to improve the road before heavy truck traffic should be allowed over it. Since heavy equipment has very seldom accessed this area of the Plateau, no formal engineering study had been done before. The Prickly Pear Road was built to allow bulldozer and fire equipment to access the area some years before to avoid the water problems. This road has many sharp turns and steep gradients, but it is dry. The dirt contractor for Mission/Sego stated that his personnel would be unwilling to use the Prickly Pear Road to haul drilling equipment up to and down from the Plateau.

In summary, access to this area of the Plateau needs to be resolved before major exploration or production drilling takes place. This can be via the flatter Harmon Canyon Road after safety improvements are made or up Prickly Pear Canyon if drilling and completion equipment can be found that can negotiate it.

The Burruss Federal 1-10 lease (UTU-62645) was placed in suspension effective June 1, 2000. The decision record was that the well pad should be located 800 feet south of the Mission proposed location adjacent to the Horse Bench Road. Mr. C. B. Willard of Mission was notified by letter dated August 25, 1999. Mission was asked to submit a revised APD, survey plat and cultural resource inventory within 45 days if they wished to pursue the drilling of Burruss 1-10. On May 17, 2000, Mr. Justin C. Sutton applied for a suspension of the above-mentioned lease, but no response was ever received about drilling the Burruss 1-10.

Sincerely,

Thomas E. Noemussen (Acting)

for

Richard L. Manus
Field Manager

cc: Moab Field Office



March 22, 2001

Ms. Lisha Cordova
State of Utah
Dept. of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Sundry Notices
Change of Operator

Dear Lisha:

Enclosed in duplicate, please find Sundry Notices pertaining to the transfer of ten APDs and operator from Mission Energy, LLC to Wasatch Oil & Gas, LLC pertaining to the below listed well:

<u>API #</u>	<u>Legal Description</u>	<u>Well Name</u>
43-007-30471	T12S-R16E; Sec 19	Jack's Canyon #1-19
43-007-30470	T12S-R15E; Sec. 29	Henzel #1-29
43-007-30394	T12S-R17E; Sec. 10	Burruss #1-10
43-007-30523	T12S-R16E; Sec. 19	Iron Mesa #19-14
43-007-30524	T12S-R14E; Sec. 25	Prickley Pear #25-02
43-007-30525	T12S-R15E; Sec. 29	So. Ridge #29-11
43-007-30526	T12S-R15E; Sec. 30	Plateau Fed. # 30-02
43-007-30527	T12S-R15E; Sec. 30	So. Ridge #30-15
43-007-30522	T12S-R15E; Sec. 16	Upper Cabin #16-15
43-007-30528	T12S-R15E; Sec. 36	Flat Top #36-02

At this time Wasatch would like to request that all ten APDs be given a one-year extension so that they maybe either be completed or utilized for drilling purposes.

Please do not hesitate to contact our office regarding this matter.

Sincerely,

R. Heggie Wilson
Agent

RECEIVED

MAR 23 2001

**DIVISION OF
OIL, GAS AND MINING**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☐ Well ☒ Well ☐ Other

2. Name of Operator

Wasatch Oil & Gas, LLC

3. Address and Telephone No.

P.O. Box 699, Farmington, UT 84025-0699 (801) 451-9200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

207' FSL, 2178' FWL; Section 19, T12S-R16E

5. Lease Designation and Serial No.

UTU-65486

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
Jack's Canyon

8. Well Name and No.
Iron Mesa Fed. # 19-14

9. API Well No.
43-007-30523

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Carbon County, Utah

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Change of Operator	<input type="checkbox"/> Dispose Water
	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Wasatch Oil & Gas, LLC has succeeded Mission Energy, L.L.C. as record title holder to UTU-65486 and is hereby requesting the APD for the the #19-34 be transferred to Wasatch Oil & Gas, LLC. Wasatch would like to maintain this APD for an additional year. Wasatch is bonded by statewide bond UT-1128 filed with the Utah State Office of the BLM.

RECEIVED

MAR 23 2001

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Signed R. Heggie Wilsc Title Agent

Date 3/21/01

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

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Use "APPLICATION FOR PERMIT -" for such proposals

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1. Type of Well

Oil Gas
☐ Well ☒ Well ☐ Other

2. Name of Operator

Wasatch Oil & Gas, LLC

3. Address and Telephone No.

P.O. Box 699, Farmington, UT 84025-0699 (801) 451-9200

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

207' FSL, 2178' FWL; Section 19, T12S-R16E

5. Lease Designation and Serial No.

UTU-65486

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Jack's Canyon

8. Well Name and No.

Iron Mesa Fed. # 19-14

9. API Well No.

43-007-30523

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Carbon County, Utah

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

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RECEIVED

MAR 23 2001

DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Signed R. Hegg Wilsch R. Hegg Wilsch

Title Agent

Date 3/21/01

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

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*See Instructions on Reverse Side



March 22, 2001

Ms. Lisha Cordova
State of Utah
Dept. of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Sundry Notices
Change of Operator

Dear Lisha:

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* 43-007-30470	T12S-R15E; Sec. 29	Henzel #1-29
* 43-007-30394	T12S-R17E; Sec. 10	Burruss #1-10
43-007-30523	T12S-R16E; Sec. 19	Iron Mesa #19-14
43-007-30524	T12S-R14E; Sec. 25	Prickley Pear #25-02
43-007-30525	T12S-R15E; Sec. 29	So. Ridge #29-11
43-007-30526	T12S-R15E; Sec. 30	Plateau Fed. # 30-02
43-007-30527	T12S-R15E; Sec. 30	So. Ridge #30-15
43-007-30522	T12S-R15E; Sec. 16	Upper Cabin #16-15
43-007-30528	T12S-R15E; Sec. 36	Flat Top #36-02

At this time Wasatch would like to request that all ten APDs be given a one-year extension so that they maybe either be completed or utilized for drilling purposes.

Please do not hesitate to contact our office regarding this matter.

Sincerely,

R. Heggie Wilson
Agent

RECEIVED

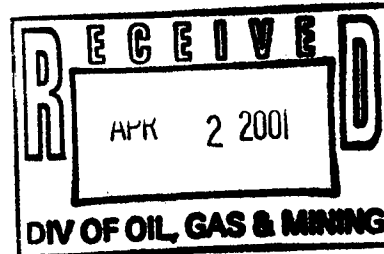
MAR 23 2001

DIVISION OF
OIL, GAS AND MINING

Mission Energy LLC

April 2, 2001

Ms. Lisha Cordova
State of Utah
Dept. of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801



Dear Lisha,

The leases pertaining to the wells listed on the attached letter from Heggie Willson to yourself dated March 22, 2001, correctly reflects that all the APD's transferred with these leases last year.

If the DOGM has any questions about this they can call me at 760-436-9877.

Sincerely,

A handwritten signature in cursive script, appearing to read "J.C. Sutton".

J.C. Sutton
President

Enclosure-1

Salt Lake City, Utah 84114-5801

Re: Sundry Notices
Change of Operator

Dear Lisha:

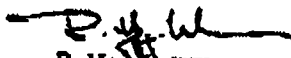
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43-007-30470	T12S-R15E; Sec. 29	Hanzel #1-29
43-007-30394	T12S-R17E; Sec. 10	Buzzard #1-10
43-007-30523	T12S-R16E; Sec. 19	Iron Mesa #19-14
43-007-30524	T12S-R14E; Sec. 25	Prickley Pear #25-02
43-007-30525	T12S-R15E; Sec. 29	So. Ridge #29-11
43-007-30526	T12S-R15E; Sec. 30	Plains Fed. # 30-02
43-007-30527	T12S-R15E; Sec. 30	So. Ridge #30-15
43-007-30522	T12S-R15E; Sec. 16	Upper Cabin #16-15
43-007-30528	T12S-R15E; Sec. 36	FM Top #36-02

At this time Wasatch would like to request that all ten APDs be given a one-year extension so that they maybe either be completed or utilized for drilling purposes.

Please do not hesitate to contact our office regarding this matter.

Sincerely,


R. Heggie Wilson
Agent

RECEIVED

MAR 23 2001

DIVISION OF
OIL, GAS AND MINING

PO Box 588 • Farmington, UT 84025-0588 • Tel (801) 451-9200 • Fax (801) 451-9204

MISSION ENERGY, LLC

Heggie: does this work? TR

FACSIMILE TRANSMITTAL SHEET

TO:	FROM:
Todd Cusick	J.C. Sutton
COMPANY:	DATE:
Wasatch Oil & Gas	APRIL 2, 2001
FAX NUMBER:	TOTAL NO. OF PAGES INCLUDING COVER:
801-451-9204	23
PHONE NUMBER:	SENDER'S REFERENCE NUMBER:
RE:	YOUR REFERENCE NUMBER:

☐ URGENT ☐ FOR REVIEW ☐ PER YOUR REQUEST ☐ PLEASE REPLY

NOTES/COMMENTS:

Todd:

Here is the letter you requested.

Thanks,

J.C. Sutton

531 ENCINITAS BOULEVARD, SUITE 200
ENCINITAS, CA. 92024
PHONE 760-436-9877
FAX 760-944-0076



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

April 26, 2001

R. Heggie Wilson, Agent
Wasatch Oil & Gas Corporation
P. O. Box 699
Farmington, Utah 84025-0699

Re: Request for APD Extension(s)

Dear Mr. Wilson:

In response to your letter dated March 22, 2001 (copy enclosed), please be advised that the Division of Oil, Gas and Mining (the Division) has approved your request for a one-year APD extension for the wells listed below, effective today. In addition, the Division has accepted the transfer of operator from Mission Energy LLC (Mission) to Wasatch Oil & Gas Corporation (Wasatch).

Federal 1-19	Sec. 19, T12S, R16E	API No. 43-007-30471
Burruss Fed 1-10	Sec. 10, T12S, R17E	API No. 43-007-30394
Henzel Fed 1-29	Sec. 29, T12S, R15E	API No. 43-007-30470

The Bureau of Land Management (BLM), Moab office, has informed the Division that the APD's listed above have not been approved by their office as of today. State approval of these wells do not supersede the required federal approval which must be obtained prior to drilling.

The additional seven wells listed in your letter have not been approved by the Division, therefore your request for a one-year APD extension does not apply. The Division will update these unapproved APD files to reflect the change of operator from Mission to Wasatch and continue reviewing these files for permit approval. If we should need any additional information we will contact you.

Page 2
Wasatch Oil & Gas Corporation
April 26, 2001

Should you have any questions regarding this matter please contact me at
(801)538-5296.

Sincerely,

A handwritten signature in cursive script that reads "Lisha Cordova".

Lisha Cordova
Engineering Technician

Enclosure

cc: Bureau of Land Management/Moab Office
Mission Energy LLC/J.C. Sutton
Well File(s)



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

June 7, 2001

Wasatch Oil & Gas Corporation
PO Box 699
Farmington, UT 84025-0699

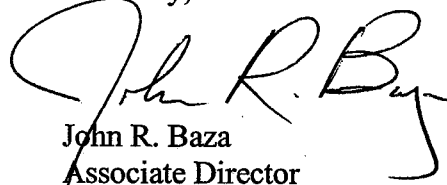
Re: Iron Mesa Federal 19-14 Well, 207' FSL, 2178' FWL, SE SW, Sec. 19, T. 12 South,
R. 16 East, Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30523.

Sincerely,


John R. Baza
Associate Director

er

Enclosures

cc: Carbon County Assessor
Bureau of Land Management, Moab District Office

Operator: Wasatch Oil & Gas Corporation
Well Name & Number Iron Mesa Federal 19-14
API Number: 43-007-30523
Lease: UTU 65486

Location: SE SW **Sec.** 19 **T.** 12 South **R.** 16 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

January 25, 2002

R. Heggie Wilson, Agent
Wasatch Oil & Gas Corporation
P. O. Box 699
Farmington, Utah 84025-0699

Re: APD Rescinded – Iron Mesa Federal 19-14, Sec. 19, T12S, R16E – Carbon
County, Utah, API 43-007-30523

Dear Mr. Wilson:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (the Division) on June 7, 2001. On January 25, 2002, you requested that the APD for the Iron Mesa Federal 19-14 well be rescinded. No drilling activity at this location has been reported to the division. Therefore, as requested, approval to drill the well is hereby rescinded, effective January 25, 2002.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Lisha Cordova
Reclamation Specialist

cc: Well File
Bureau of Land Management, Moab



Bill Barrett Corporation

June 27, 2003

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

ATTENTION: Ms. Diana Mason

Dear Ms. Mason:

Upon further evaluation, Bill Barrett Corporation requests that the following eleven (11) APDs be cancelled at this time:

Prickly Pear Unit Federal 12-15-11-2	SENW Sec 11-T12S-R15E	43-007-30824
Jack Canyon Unit Federal 19-2	SENW Sec 19-T12S-R16E	43-007-30827
Burruss Federal #1-10	NESW Sec 10-T12S-R17E	43-007-30394
Federal #1-19	SENW Sec 19-T12S-R16E	43-007-30471
Henzel Federal #1-29	NWNE Sec 29-T12S-R15E	43-007-30470
Iron Mesa Federal #19-14	SESW Sec 19-T12S-R16E	43-007-30523
Prickly Pear Federal #25-02	NWNE Sec 25-T12S-R14E	43-007-30524
South Ridge Federal #29-11	NESW Sec 29-T12S-R15E	43-007-30525
Plateau Federal #30-02	NWNE Sec 30-T12S-R15E	43-007-30526
South Ridge Federal #30-15	NWSE Sec 30-T12S-R15E	43-007-30527
Hunt Ranch #3-2	NWNW Sec 3-T12S-R15E	43-007-30780

The records from Wasatch Oil and Gas reflected two more wells in progress, the Federal 30-07R and Federal 31-04R. If you have any paperwork pending in your office on these two wells, please also cancel these wells at this time.

If you have any questions or need additional information, please contact me at (303) 312-8120.

Sincerely,

Debra K. Stanberry
Permit Specialist

RECEIVED

JUL 12 2003

DIV. OF OIL, GAS & MINING

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